

# **Village of Norwood Dissolution Study, Plan and Alternatives**

**December, 2012**

Prepared for:  
**Village of Norwood**

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**Staff Team**

Jill Symonds, Research Associate, served as Project Manager, with support from Hannah Dalager, Research Assistant.

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## EXECUTIVE SUMMARY

The Village of Norwood is located in St. Lawrence County in Northern New York State and lies partially in the Town of Norfolk and partially in the Town of Potsdam. In 2010, the population in the Town of Potsdam was 16,041, of which 1,575 was in Norwood, 9,428 was in the Village of Potsdam and the remaining 5,038 was the area outside of the villages. On the Norfolk side, the total population was 4,586, of which 82 were in Norwood.

In 2012, the Village Board of Trustees appointed a Village of Norwood Dissolution Study Committee to oversee a dissolution study. These 19 Norwood and Town Potsdam residents have been working together to explore the following questions:

- How are municipal services currently delivered?
- If the village dissolved, what would happen to the services? What are the property tax implications?
- If the village does not dissolve, are there opportunities for shared services?
- If the village does not dissolve, what are the implications of creating a coterminous town-village?

The goal of the study is to ensure that the Village of Norwood residents have the information needed to make an informed decision about the future. Interest in this study was prompted by a number of local concerns, including: the Village of Potsdam dissolution study; watershed protection and management of the lake; the property tax burden on residents, and; a desire for greater control at the local level for decisions regarding services and taxation.

The Village of Norwood requested and received a grant to support this study from the New York State Department of State under the Local Government Efficiency Grant (LGE) Program.

## Committee Recommended Dissolution Plan

This report includes a Dissolution Plan that outlines how the surviving Town of Potsdam and Town of Norfolk can continue providing needed and desired services within the area currently served by the village government. It is not intended to be a highly detailed transition and implementation document. Detailed implementation would be worked out among the three boards during the transition period if the village voters choose to dissolve.

The services and functions described in the Plan remain subject to final implementation by both towns at their discretion. The town boards may determine that certain elements of the plan should be modified in order to meet the best interests of their respective town as a whole, within the requirements of local, state and federal law.

A summary of the Committee's recommendations are provided below. Greater detail is available in this report and in the full Dissolution Plan, which can be found at the end of this document.

**Elected Representation:** The Village Board and related expenses will be eliminated. Residents would be represented by their respective Town Boards.

**General Administration:** Village positions could become Town of Potsdam positions, if needed by the town. General administration would occur at the offices of both the towns of Potsdam and Norfolk for their respective jurisdictions. Ownership of the Norwood Village Hall would transfer to the Town of Potsdam.

**Highway / Department of Public Works:** Village positions could become Town of Potsdam positions. The village garage sites will be maintained as a satellite Town of Potsdam garage. The towns of Potsdam and Norfolk would be responsible for street maintenance within their respective jurisdictions.

**Water and Sewer:** Current village water and sewer operations become special districts within the towns of Potsdam and Norfolk. These districts will remain self-supporting services as at present. All assets and liabilities related to water and sewer (e.g. buildings, debt) will transfer to the Town of Potsdam. The Town of Norfolk will contract for these services from the Town of Potsdam.

**Police Services:** The Committee recommends the creation of a police district that would provide service in a portion of the Town of Potsdam and be supported only by properties located within the district. This will require the town to make a home rule request for special legislation. Village police officers could become town police officers in the new district. *NOTE: This is subject to state approval.*

In the Town of Norfolk, police services will be provided by the town police department.

**Fire Services:** Fire protection will continue to be provided by the Norwood Callfiremen. The Norwood Volunteer Fire Department may need to re-incorporate as a non-profit organization under the Town of Potsdam. The Town of Potsdam will expand the boundaries of the fire protection district to include the former village area. Current village-

owned fire assets (apparatus, equipment and miscellaneous assets) will transfer to the town. The town will lease the assets and building turned over by the village to the Fire Department. Residents in the Town of Norfolk will receive fire protection from the Norfolk Volunteer Fire Department.

**Code Enforcement:** The village code enforcement officer could become a Town of Potsdam officer, if needed by the Town. Code enforcement will become the responsibility of each Town within its respective jurisdiction. The village planning and zoning boards will be eliminated and the boards in each town will be responsible for the former village.

**Codes and Ordinances:** All local laws, ordinances and codes associated with the village will remain enforceable by both towns for a minimum period of two years.

**Recreation Services:** Formerly provided by the village will now be provided by each respective town.

**Rescue:** Rescue services in the Town of Potsdam will continue to be provided to the former village by the Potsdam Volunteer Rescue Squad (through a contract between the Town of Potsdam and the Rescue Squad).

**Buildings and Equipment:** Buildings and equipment will transfer to the Town of Potsdam.

**Debt Districts:** Village debt (e.g. Village Hall, fire truck, post-employment obligations for retirees, water and sewer) will transfer to the Town of Potsdam and will be paid for through a special district within the former village.

**Special Taxing Districts:** Street lighting and sidewalks within the former village in the Town of Potsdam will become special taxing districts.

## ***Financial Impact of Dissolution***

This plan projects that tax rates in the village will decrease upon dissolution, the tax rates in the Town of Potsdam will increase, and the tax rate in the Town of Norfolk will be unchanged.

In the village, tax rates will decrease from \$16.7 per \$1,000 of assessed value to \$8.5 without state aid and \$8.1 with state aid. For an average home of \$75,000, this means taxes will go from approximately \$1,250 to \$640 without state aid and \$610 with state aid.

In the Town of Potsdam, outside the villages, tax rates will increase from \$3.2 per \$1,000 of assessed value to \$4.0 without state aid and \$3.6 with

state aid. For an average home of \$75,000, this means taxes will go from approximately \$240 to \$300 without state aid and \$270 with state aid.

## Coterminous Town-Village of Norfolk

The Committee also explored the implications of creating a coterminous Town-Village of Norwood. There are two possible boundaries for this new entity – a large boundary that includes the village and the 13668 zip code area in the Town of Potsdam or a small boundary that includes the village and just the area immediately around the lake from Reynolds Road on the West to Pig Street on the East.

In order to create a coterminous Town-Village with new boundaries, a special act of the New York State Legislature is required following a home rule message from the Village of Norwood and the towns of Norfolk and Potsdam. This is the approach used to create the Village and Town of Green Island. While the Legislature has the power to do this without a referendum, it seems likely that such would be imposed as a condition of passage.

Much like the dissolution portion of the study, the Committee considered what would happen to the services provided by the Town of Potsdam and the Village of Norwood should a coterminous town-village be created. Given the larger area and the town status, the Village of Norwood will have greater service responsibilities than at present. Details regarding the service impacts are provided in this report.

The financial impact of creating a coterminous Town-Village of Norwood is as follows:

- **Large Boundary (13668 zip code area):** The tax rate for current village residents will decrease from \$16.7/\$1,000 to \$14.3/\$1,000. For an average home valued at \$75,000, taxes will decrease from \$1,250 to \$1,070. The tax rate for Town of Potsdam residents in the large boundary area will see their tax rate increase from \$3.2/\$1,000 to \$11.2/\$1,000. For an average home valued at \$75,000, taxes will increase from \$240 to \$840.
- **Small Boundary:** The tax rate for current village residents will decrease from \$16.7/\$1,000 to \$11/\$1,000. For an average home valued at \$75,000, taxes will decrease from \$1,250 to \$830. The tax rate for Town of Potsdam residents in the lake area outside of the village will see their tax rate increase from \$3.2/\$1,000 to \$9.1/\$1,000. For an average home valued at \$75,000, taxes will increase from \$240 to \$680.

## INTRODUCTION

This document is a report to the community by the Norwood Dissolution Study Committee (committee). It provides an overview of municipal services and financial information for the Village of Norwood and the two towns whose border it straddles – Norfolk and Potsdam. This report presents relevant information on size, structure, finances and operations of the three communities, with greater detail provided for the village.

The report consists of three main sections, as follows:

- **Part 1: Baseline information:** this section provides foundational information of how the towns and village deliver and fund municipal services.
- **Part 2: Review of options:** this section provides a discussion of options for the ongoing delivery of services for both dissolution and for the creation of a coterminous town-village. Where possible, opportunities for shared services are also considered.
- **Part 3: Tax impact:** based on the considerations outlined under the options, this section considers the tax impact of dissolution and of creating a coterminous town-village.

This report was prepared with technical assistance from the Center for Governmental Research (CGR)\*.

## Dissolution Study Process

The Village Board of Trustees appointed the Village of Norwood Dissolution Study Committee to oversee a dissolution study. These 18 volunteers come from the Village of Norwood as well as the Towns of Potsdam and Norfolk and they are working together to present a study that addresses three key questions:

- What would happen to service delivery and tax burden in both village and town if the Village of Norwood as a municipal entity ceased to exist because voters elected to dissolve the village?
- If village leaders and voters do not choose to dissolve the village, are there opportunities to change how municipal services are delivered that would benefit village and town residents?
- What are the implications of creating a coterminous town-village?

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\* CGR is a nonpartisan, nonprofit consulting firm that works with local governments and nonprofit organizations throughout NYS. More information can be found at [www.cgr.org](http://www.cgr.org)

The goal of the study is to ensure that Village of Norwood residents have the information needed to make an informed decision about village dissolution and to inform the greater Norwood community about alternatives to the *status quo* that may improve the delivery of municipal services.

The Dissolution Study Committee consists of the following members:

### **Village of Norwood Representatives**

Sue Bartlett  
James Besaw  
Eric Gaumes  
Brent Kuenzler  
James H. McFaddin  
Jane Mott  
Sue Perry  
Phillip Regan  
Matthew Rollins  
Ann Watson

### **Town of Potsdam Representatives**

Sue Bancroft  
Donald J. Colbert  
Cheryl Cole  
David Flint  
Bill Grant  
Mary Grant  
Howard Maroney  
Daniel McGregor  
Tracey Haggett Sloan

The Village of Norwood requested and received a grant to support this study from the New York State Department of State under the Local Government Efficiency Grant (LGE) program.\*

## **Limitations of the Study**

The committee is not charged with the responsibility of evaluating existing services provided by either the village or the town. Nor is the committee empowered to recommend neither the creation of new services nor the elimination of existing services. By studying the possible changes to the governance of the village, the community has an opportunity to explore

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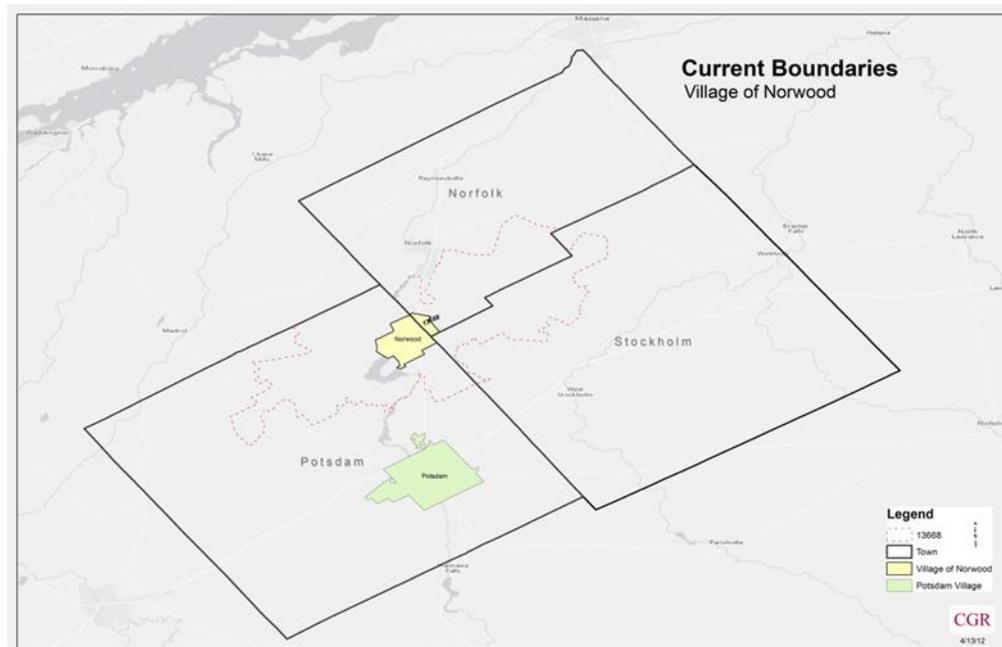
\* Contract No. T-108804

whether some services currently offered might be eliminated or scaled back. The committee's work can help identify the potential fiscal consequences of eliminating one service or another.

## PART 1: BASELINE INFORMATION

### Geographic Size and Location

The Village of Norwood is located in St. Lawrence County in northern New York State, as shown in the map below. The Village is 2.3 square miles and lies partially in the Town of Norfolk and partially in the Town of Potsdam. The Town of Potsdam also includes the Village of Potsdam which makes up 4.8 square miles of the town, which is itself 103.4 square miles. There are no other municipalities in the Town of Norfolk, which is 57.7 square miles.

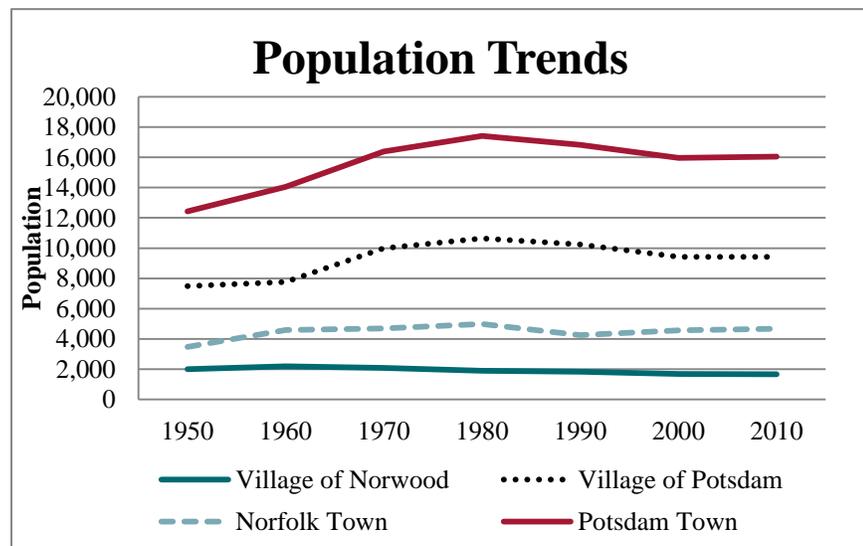


### Population Trends

In 2010, U.S. Census estimated that 1,657 residents lived in the Village of Norwood, 82 of whom were in the Town of Norfolk and 1,575 of whom were in the Town of Potsdam. The population in the Village of Norwood reached a peak of 2,200 in 1960 and has been slowly losing population since that time. At the same time, the population in the Town of Norfolk has increased by nearly 1,100 people from 1950 to the present 4,668 in 2010. The population in the Town of Potsdam increased to a peak of 17,411 in 1980 and then declined to 16,041 in 2010 (the population in the

Village of Potsdam includes several thousand college students and SUNY Potsdam and Clarkson Universities). The population in the 13668 zip code area in the Town of Potsdam is estimated to be approximately 646\*.

Total Population of Municipalities								
	Norwood (Part in Norfolk)	Norwood (Part in Potsdam)	Norwood Village TOTAL	Norfolk outside village	Norfolk Town TOTAL	Potsdam Village	Town of Potsdam outside villages	Potsdam Town TOTAL
1950	79	1,916	1,995	3,402	3,481	7,491	3,030	12,437
1960	44	2,156	2,200	4,546	4,590	7,765	4,124	14,045
1970	67	2,031	2,098	4,634	4,701	9,985	4,366	16,382
1980	70	1,832	1,902	4,922	4,992	10,635	4,944	17,411
1990	83	1,758	1,841	4,175	4,258	10,251	4,813	16,822
2000	72	1,613	1,685	4,493	4,565	9,425	4,919	15,957
2010	82	1,575	1,657	4,586	4,668	9,428	5,038	16,041



## History

The Village of Norwood was incorporated as Potsdam Junction in 1872. The name was changed to Norwood in 1875. The community was established on the Raquette River and grew up around the junction of the

\* The 13668 zip code population was calculated by multiplying the total number of residential and apartment dwellings in the 13668 area by the average household size for the Village of Norwood according to the 2010 U.S. Census.

Northern Railway and the Rome, Watertown & Ogdensburg Railroad. Located between the Village of Potsdam and the Town of Norfolk, Norwood has long seen itself as a distinct community with a strong desire to govern its own affairs.

### Potsdam Dissolution Study

In 2010, the Village of Potsdam undertook its own dissolution study. The study recommended that many of the services continue to be delivered to former village residents through the creation of special taxing districts (e.g. water, sewer, refuse, etc.). Notably, however, the police force would have become a townwide expense. As a consequence, dissolution of the Village of Potsdam would have shifted the tax burden of Potsdam police to all residents of the town, including residents of the Village of Norwood, increasing tax rates on these properties. The tax rate for the former Village of Potsdam would have decreased. The table below summarizes the fiscal impact of dissolution. Ultimately, however, voters rejected the proposed dissolution plan in November 2011.

<b>Summary of Fiscal Impact of Dissolution (\$/\$1000 assessed value)</b>			
	<b>Former Village of Potsdam</b>	<b>Town of Potsdam outside villages</b>	<b>Village of Norwood</b>
Current (2010) Tax Rates	\$17.7	\$3.2	\$16.3
Committee Favored Options	\$12.3	\$9.2	\$21.8
Committee Favored Options with NYS incentive aid	\$11.1	\$8.0	\$20.6

Based on these rates, the impact on a property valued at \$75,000 in the Village of Norwood would have been an increase in taxes of about \$320. A house of the same value in the Town of Potsdam but outside either village would have seen its taxes increase even more, by nearly \$360.

<b>Estimated Tax Impact for a Property Valued at \$75,000</b>			
	<b>Former Village of Potsdam</b>	<b>Town of Potsdam outside villages</b>	<b>Village of Norwood</b>
Current (2010) Tax Rates	\$1,325	\$240	\$1,226
Committee Favored Options	\$923	\$690	\$1,636
Committee Favored Options with NYS incentive aid	\$832	\$599	\$1,545
Total impact	\$494	(\$359)	(\$320)

Understandably, residents of the Village of Norwood and those residing in the Town of Potsdam outside either village are concerned that the dissolution of the Village of Potsdam would occur and would negatively affect them.

## FINANCIAL SUMMARY

The information in this section is provided to assist the residents in the village and the towns to understand the relationship of village and town taxes to the total property tax burden.

### The Layers of Local Property Taxes

Residents in the towns of Norfolk and Potsdam are subject to different tax rates as a result of whether they live in a village or in the town outside either village (abbreviated “TOV” below) and the corresponding services they receive. Village residents pay a townwide tax for townwide services and a village tax for services associated with the services and functions of village government. TOV residents pay the same townwide tax as village residents and pay separate TOV taxes for services provided within the town but outside of the village (for example, highway services). Residents of the villages and TOV may also be subject to additional local and special district taxes such as school, county, fire, sewer, water, and street lighting.

The table below illustrates these different layers of property taxation for these communities. In the 2012-2013 fiscal year, the tax rate in the Village of Norwood (in Potsdam) was \$14.41 and the tax rate in the Town of Potsdam outside of village was \$2.45 (plus additional taxes from the county, library, special districts, etc.).

County, Town and Village Taxes – 2012				
	Norwood (In Norfolk) Taxpayer	Norfolk TOV Taxpayer	Norwood (In Potsdam) Taxpayer	Potsdam TOV Taxpayer
County	\$10.64	\$10.64	\$9.09	\$9.09
Townwide General	\$0.00	\$0.00	\$0.78	\$0.78
TOV General	-	\$0.45	-	-
Townwide Highway	\$2.03	\$2.03	\$1.53	\$1.53
TOV Highway	-	\$1.07	-	\$0.14
Village General*	\$12.94	-	\$14.41	-
Town & Village Chargebacks from County	\$1.38	\$1.38	\$0.65	\$0.65
Norfolk/Potsdam Fire	-	\$1.35	-	\$0.76
Norwood Library**	-	-	\$0.87	\$0.87
Norfolk Library	\$0.79	\$0.79	-	-
<b>Subtotal</b>	<b>\$28.85</b>	<b>\$17.71</b>	<b>\$27.33</b>	<b>\$13.81</b>

Special District & School Taxes				
	Norwood (In Norfolk) Taxpayer	Norfolk TOV Taxpayer	Norwood (In Potsdam) Taxpayer	Potsdam TOV Taxpayer
School District				
<i>Norwood/Norfolk</i>	\$30.50	\$30.50	\$26.05	\$26.05
<i>Potsdam***</i>	-		-	\$24.81
<i>Brasher Falls</i>	-	\$26.42	-	-
<i>Canton***</i>	-	-	-	\$19.59
<i>Madrid-Waddington</i>	-	-	-	\$17.63
<i>Massena</i>	-	-	-	\$20.71
<i>Parishville-Hopkinton</i>	-	-	-	\$13.64
Lighting District				
<i>Norfolk Light</i>	-	\$0.79	-	-
<i>Raymondville Light</i>	-	\$0.73	-	-
<i>West Hatfield Light</i>	-	\$0.86	-	-
<i>Hewittville Light</i>	-	-	-	\$0.84
<i>Sissonville Light</i>	-	-	-	\$0.60
Unionville Sewer	-	-	-	\$7.17
Unionville Water	-	-	-	\$5.70
<i>Source: 2012 Tax Rolls, St. Lawrence County Office of Real Property and Tax Services</i>				
*Village General Fund tax rates are based on 2012-13 budget.				
**Potsdam TOV property owners within the boundaries of the service pay the Norwood library tax. This does not include those in the Potsdam School District.				
***2011 School District Tax Rates. Rates include applicable library taxes raised through the school district (Potsdam, Canton)				

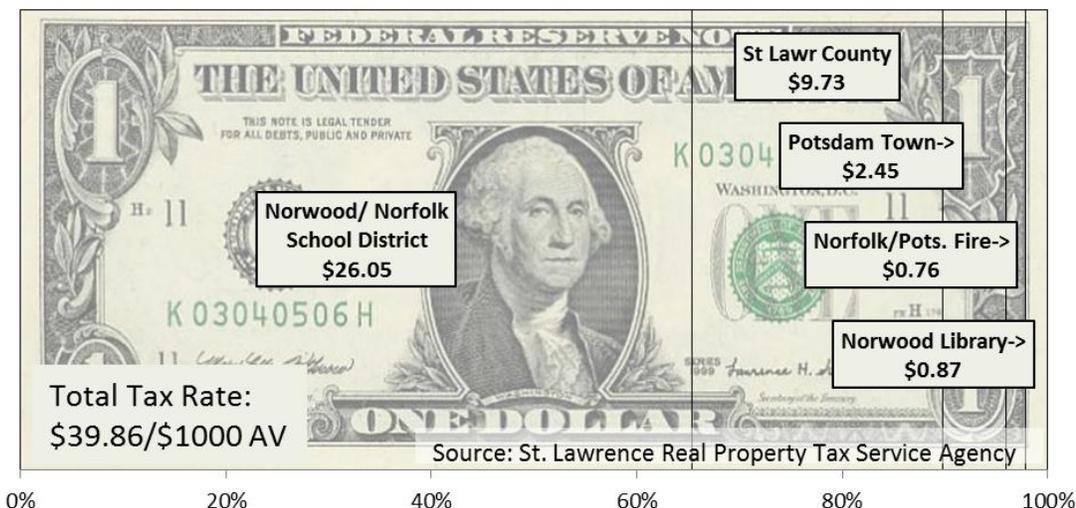
## Where Your Tax Dollars Go

The two biggest contributors to the overall tax burden in the Village of Norwood (in Potsdam) are school district and village taxes at 50% and 27%, respectively. The two biggest contributors to the overall tax burden in the TOV in the Town of Potsdam are school district and county taxes at 65% and 25% respectively.

**Village of Norwood (T. Potsdam) Property Tax Shares FY 2012**



**Town of Potsdam (outside village) Property Tax Shares FY 2012**



## How Property Tax Rates are Calculated

The property tax rate is expressed as dollars owed per \$1,000 of a property’s assessed valuation (this is sometimes called a “mill rate.”) The tax rate is designed to apportion the municipality’s costs among taxpayers according to their share of total property value. The rate is calculated by dividing a municipality’s total tax levy (the sum required to provide services) by its total taxable assessed value (TAV). The result is the levy per dollar of assessed value. This is multiplied by \$1,000 to convert to the familiar “\$ per \$1,000 of assessed value” rate.

$$\frac{\text{Tax Levy}}{\text{Total Taxable Assessed Value}} = \text{Share of Levy per \$ AV} \times \$1000 = \text{Tax Rate (\$ owed per \$1000 AV)}$$

## Tax Levy

The table below indicates the total tax levy for the various local government funds for the 2012-2013 fiscal year. The total tax levy amounted to approximately \$611,000 in Norwood, \$820,000 in Norfolk and \$1,300,000 in the Town of Potsdam.

Description	Town of Potsdam 2012 Budget	Town of Norfolk 2012 Budget	Village of Norwood 2012-13 Budget
General townwide/Village (A)	\$366,070	-	\$611,359
General town outside village (B)	-	\$60,455	-
Highway townwide (DA)	\$715,702	\$276,550	-
Highway town outside village (DB)	\$37,027	\$143,160	-
Library (L)	-	\$108,059	-
Fire Protection (SF)	\$202,440	\$188,460	-
Special Lighting District (All)	\$2,900	\$43,240	-
Sewer District (SS)	\$20,776	-	-
Water District (SW)	\$16,825	-	-
<b>Total Property Taxes</b>	<b>\$1,361,738</b>	<b>\$819,924</b>	<b>\$611,359</b>

## Taxable Assessed Value

The towns of Potsdam and Norfolk are responsible for the assessment in their respective towns, including within villages. The assessed value of a property is often lower than the market value, as it is difficult to continually update all assessed values to keep up with changes in the market. The tax roll is perfectly fair, however, if all properties are assessed at the same *proportion* of market value. The taxable assessed value (TAV) of property within each municipality is the base by which the tax levy is shared across the community.

Some properties are exempt from taxation, particularly nonprofits like churches or hospitals, properties owned by the public and properties owned by classes of individuals (e.g. the elderly or veterans). Some of

these exemptions are conferred by state law while others are conferred at the discretion of the taxing jurisdiction.

In order to determine *taxable* assessed value, the total assessed value of tax exempt properties is subtracted from the total assessed value of all properties. The remaining assessment comprises the TAV, or the value of those properties that share the property tax burden in a community.

## Current Tax Roll

The 2012 tax roll indicates that the taxable assessed value for the Town of Potsdam is \$468 million, \$40 million in the Village of Norwood, \$169 million in the Village of Potsdam and \$259 million in the TOV. The Village of Norwood makes up 9% of the TAV for the Town of Potsdam, while the Village of Potsdam makes up 36% and the TOV makes up the remaining 55%.

In the Town of Norfolk, the taxable assessed value for the Town is \$136 million and \$1.8 million in the Village of Norwood. The Village of Norwood makes up 1.4% of the TAV for the Town of Norfolk.

Total, Exempt and Taxable Assessed Value			
Municipality	Total Assessed Value	Exempt	Taxable Assessed Value
Village of Norwood	\$53,533,354	\$11,774,675	\$41,758,679
Village of Potsdam	\$527,252,972	\$357,967,912	\$169,285,060
TOV Potsdam	\$290,355,808	\$31,820,816	\$258,534,992
TOV Norfolk	\$164,266,819	\$29,865,895	\$134,400,924
Town of Potsdam	\$868,877,442	\$401,147,446	\$467,729,996
Town of Norfolk	\$166,743,211	\$30,459,052	\$136,284,159

*Source: 2012 Tax Rolls, St. Lawrence County Office of Real Property Tax Service Agency*

\*One parcel of the Village of Massena is a taxable parcel in Norfolk, with TAV of \$34,500, which is included in the Town of Norfolk TAV.

Ninety-five percent of the taxable assessed value in the Village of Norwood is in the Town of Potsdam. Only 5% is in the Town of Norfolk.

Village of Norwood - Assessment Broken Out by Town Portions			
Municipality	Total Assessed Value	Exempt	Taxable Assessed Value
Norwood in Norfolk	\$2,264,692	\$415,957	\$1,848,735
Norwood in Potsdam	\$51,268,662	\$11,358,718	\$39,909,944
Norwood Village Total	\$53,533,354	\$11,774,675	\$41,758,679

*Source: 2012 Tax Rolls, St. Lawrence County Office of Real Property and Tax Services*

## Sample Property Tax Bill

In 2012-2013, a Village of Norwood property valued at \$75,000\* would have paid a total of \$1,250 in taxes (in addition to county and school taxes). A property of the same value in the Town of Potsdam outside of either village would have paid \$240 in taxes (in addition to county, school, and special district assessments).

Town and Village Taxes – 2012 Property Valued at \$75,000				
	Village of Norwood resident	Property tax on a \$75K Property in Norwood	Town of Potsdam resident, outside either village	Property tax on a \$75K Property in Potsdam outside either village
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$2.3	\$173	\$3.2	\$241
Village of Norwood	\$14.4	\$1,081	-	n/a
<b>Total</b>	<b>\$16.7</b>	<b>\$1,254</b>	<b>\$3.2</b>	<b>\$241</b>

Source: 2012 Tax Rolls, St. Lawrence County Office of Real Property and Tax Services

## Revenues & Expenditures

The Village of Norwood has an operating budget of approximately \$1.6 million that is comprised of three funds: general, water and sewer. For the 2012-2013 fiscal year budget, village expenditures total \$1,071,754 for the general fund, \$193,000 for the water fund and \$379,600 for the sewer fund.

The Town of Potsdam operations are comprised of eight funds totaling \$3.3 million. Town funds includes a townwide general fund (A) of approximately \$923,000 and the TOV general fund (B) of \$351,000. Townwide highway operations (DA fund) totaled \$787,000 and TOV highway operations (DB fund) totaled \$977,000 million. Other town funds include fire protection, special lighting, sewer and water.

The Town of Norfolk operations are comprised of nine funds totaling \$2.8 million. Town funds include townwide general fund (A) of \$635,000 and the TOV general fund (B) of \$262,000. Townwide highway operations (DA fund) totaled \$500,000 and TOV highway operations (DB fund)

\* According to the Census Bureau's American Community Survey for 2006-2010, the median home value in Norwood was \$67,000.

totaled \$444,000. Other town funds include the library, fire protection, special lighting, sewer and water.

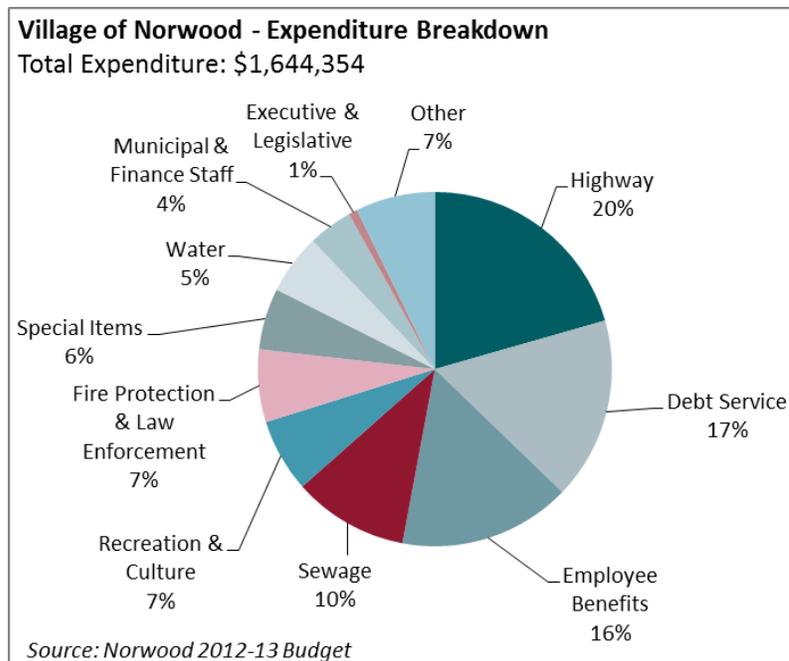
For the 2012-2013 fiscal year, the property tax levy makes up 37% of village revenue, 41% in the Town of Potsdam and 29% in the Town of Norfolk. To balance the budgets, the village anticipates applying \$159,500 in fund balance, which means that 10% of revenues are appropriated from funds. The Town of Potsdam will apply \$596,406 in fund balance (i.e. 18% of revenues) and the Town of Norfolk will apply \$376,011 in fund balance (i.e. 13% of revenues).

<b>Budget Summary by Fund</b>						
<b>Towns of Potsdam &amp; Norfolk (2012) and Village of Norwood (2012-13)</b>						
<b>Type &amp; Fund</b>	<b>Town of Potsdam 2012 Budget</b>	<b>% of Total</b>	<b>Town of Norfolk 2012 Budget</b>	<b>% of Total</b>	<b>Village of Norwood 12-13 Budget</b>	<b>% of Total</b>
<b>Expenditures</b>	<b>\$3,302,351</b>		<b>\$2,786,653</b>		<b>\$1,644,354</b>	
General townwide/Village (A)	\$923,075	28%	\$634,761	23%	\$1,071,754	65%
General TOV (B)	\$350,969	11%	\$261,955	9%	-	-
Highway townwide (DA)	\$787,494	24%	\$500,150	18%	-	-
Highway TOV (DB)	\$977,492	30%	\$443,660	16%	-	-
Village Water (F)	-	-	-	-	\$193,000	12%
Village Sewer (G)	-	-	-	-	\$379,600	23%
Library (L)	-	-	\$113,409	4%	-	-
Fire Protection (SF)	\$202,440	6%	\$188,460	7%	-	-
Special Lighting District (All)	\$2,900	0%	\$43,400.00	2%	-	-
Sewer District (SS)	\$38,650	1%	\$317,710	11%	-	-
Water District (SW and SW1)	\$19,332	1%	\$283,148	10%	-	-
<b>Total Revenue (Including Property Tax and Fund Balance)</b>	<b>\$3,302,352</b>		<b>\$2,786,653</b>		<b>\$1,644,354</b>	
<b>Non-Property Tax Revenue</b>	<b>\$1,344,208</b>	<b>41%</b>	<b>\$1,590,718</b>	<b>57%</b>	<b>\$873,495</b>	<b>53%</b>
General townwide/Village (A)	\$326,005	10%	\$531,750	33%	\$385,395	44%
General TOV (B)	\$295,563	9%	\$133,500	8%	-	-
Highway townwide (DA)	\$1,792	0%	\$172,600	11%	-	-
Highway TOV (DB)	\$700,465	21%	\$300,500	19%	-	-
Village Water (F)	-	-	-	-	\$193,000	22%
Village Sewer (G)	-	-	-	-	\$295,100	34%
Library (L)	-	-	\$5,350	0%	-	-
Special Lighting District (All)	-	-	\$160	0%	-	-
Sewer District (SS)	\$17,876	1%	\$188,710	12%	-	-
<b>Type &amp; Fund</b>	<b>Town of Potsdam</b>	<b>% of Total</b>	<b>Town of Norfolk 2012</b>	<b>% of Total</b>	<b>Village of Norwood</b>	<b>% of Total</b>

	2012 Budget		Budget		2012-13 Budget	
<b>Property Taxes</b>	<b>\$1,361,738</b>	<b>41%</b>	<b>\$819,924</b>	<b>29%</b>	<b>\$611,359</b>	<b>37%</b>
General townwide/Village (A)	\$366,070	11%	-	-	\$611,359	70%
General TOV (B)	-	-	\$60,455	4%	-	-
Highway townwide (DA)	\$715,702	22%	\$276,550	17%	-	-
Highway TOV (DB)	\$37,027	1%	\$143,160	9%	-	-
Library (L)	-	-	\$108,059	7%	-	-
Special Lighting District (All)	\$2,900	0%	\$43,240	3%	-	-
Sewer District (SS)	\$20,776	1%	-	-	-	-
Water District (SW)	\$16,825	1%	-	-	-	-
<b>Appropriated Fund Balances</b>	<b>\$596,406</b>	<b>18%</b>	<b>\$376,011</b>	<b>13%</b>	<b>\$159,500</b>	<b>10%</b>
General townwide/Village (A)	\$231,000	7%	\$103,011	6%	\$75,000	9%
General TOV (B)	\$55,406	2%	\$68,000	4%	-	-
Village Sewer (G)	-	-	-	-	\$84,500	10%
Highway townwide (DA)	\$70,000	2%	\$51,000	3%	-	-
Highway TOV (DB)	\$240,000	7%	-	-	-	-
Sewer District (SS)	-	-	\$129,000	8%	-	-
Water District (SW1)	-	-	\$25,000	2%	-	-

### Where does the money go?

The four largest categories of expenditures in the Village account for approximately 60% of the budget. They include public works (\$338,000), debt (\$274,000, which includes fire truck, city hall, water, sewer plant), employee benefits (\$259,000) and sewage (\$173,000).



### Fund Balances

At the end of each fiscal year, every municipality either over or under spends relative to the revenue it receives. These surpluses or negative amounts are tracked over time in an accounting format known as fund balance. Tracking fund balance is a helpful tool to

analyze how well a municipality is budgeting and how it handles excess (reserve) resources in future years. According to the Government Finance Officers Association (GFOA) and the Office of the State Comptroller (OSC), a local municipality should have a fund balance of approximately two months of expenditures in order to properly manage financial affairs for the community.\* On average this would be between 5 – 15 percent of the municipalities' budget.

Based on the 2012-2013 budget, the Village of Norwood has reserve funds on hand for nearly two months of village expenditures. The village reserve fund balances at the end of the 2011 fiscal year are provided below.

Village of Norwood Fund Balances as of 5/31/11	
Fund	Amount
General	\$404,341
Water	\$61,430
Sewer	\$475,882
<i>Source: Norwood budget, 2012-2013</i>	

## Outstanding Debt

The Village of Norwood is paying off debt for the fire truck, Village Hall, water and sewer. The debts and outstanding amounts are presented below.

Village of Norwood Outstanding Debt				
Purpose	Amount Paid in 2012	Outstanding Balance, end of 2012	Maturity Date	Interest Rate
Fire Truck	\$20,658	\$179,910.00	2024	4.4%
Village Hall	\$21,126	\$285,900	2036	4%
Water	\$102,827	\$943,000	2024	4%
Sewer Plant Improvements	\$129,427	\$2,272,586	2048	4.1%
<i>Sources: 2012-2013 budget; Village Financial Report, Year Ended May 31, 2011; Payment schedules</i>				

## MUNICIPAL EMPLOYEES

### Employee Staffing

The Village of Norwood has 7 full-time and 24 part-time staff. Part-time staff includes at least one or more summer life guards.

\* <http://www.gfoa.org/downloads/caafr-appropriate-level.pdf>

Position	# Full Time Positions	# of Part Time Positions
Mayor		1
Trustee		4
Clerk Treasurer	1	
Deputy Clerk		1
Supt of DPW	1	
PT Police		11
Machine equipment operators	4	1
Summer Laborers		2
W&S Plant Operator	1	
Rec Staff & Lifeguards		3+
Code enforcement officer		1
Attorney		1
<b>TOTALS</b>	<b>7</b>	<b>24</b>

*Source: Wage information from the Village of Norwood*

## Employee Benefits

According to the 2012-2013 budget for the Village of Norwood, expenditures for employee benefits are \$224,700 (details are provided in the table below). The village covers 100% of health and medical insurance, which makes up 60% of the total cost at \$140,000. Health and medical insurance covers seven full-time employees at \$106,000 and four retirees at \$34,000. Wages for 2012-2013 total \$402,182, thus benefits are 56% of wages (retiree health costs are not included in this calculation). This proportion is higher than the 53% average for all state and local employees nationwide and substantially higher than the 42% average in the private sector.\*

Employee Benefits	
Description	Village of Norwood 2012-13 Budget
State Retirement	\$45,000
Fire & Police Retirement	\$4,000
Social Security (Employer Contribution)	\$30,000
Worker's Compensation	\$32,000
Unemployment Insurance	\$6,000
Disability Insurance	\$200

\* <http://www.bls.gov/news.release/ecec.toc.htm>

Employee Benefits	
Description	Village of Norwood 2012-13 Budget
Hospital/Medical Insurance*	\$106,000
Other Benefits – Uniform	\$1,500
<b>Total Employee Benefits</b>	<b>\$224,700</b>

*Source: 2012-2013 Village of Norwood Budget*

*\* Retiree health insurance of \$34,000 is not included in this table.*

## EXISTING SHARED SERVICES

The Village of Norwood currently shares services with the Town of Norfolk, the Town of Potsdam and the Village of Potsdam. Some of these collaborations have a formal agreement and some are simply an informal arrangement.

- **Department of Public Works:** Potsdam and Norfolk town highway departments and the Village department of public works operation informally share equipment as needed.
- **Police:** The Village of Potsdam, the Town of Norfolk and the Village of Norwood police departments assist each other as needed.
- **Assessment:** Potsdam and Norfolk Towns are both responsible for assessment within their town boundaries.

### *Norwood-Norfolk School Board and Village of Norwood*

In recent years, the village has also begun to share services with other agencies such as the Norwood-Norfolk School Board. These shared services are outlined below.

- **Fuel Station:** A couple of years ago, the village was ordered to close its existing fuel facility and build a new one. Rather than build a facility that only served village needs, the Village collaborated with the Norwood-Norfolk School District and built a new station at the school. Further to a Shared Service Agreement, the village pays the school \$0.5 per gallon to operate and maintain the facility. The facility allows all parties to save money on fuel by benefiting from the economies of scale that result from a larger fuel purchase.
- **Water:** The Village of Norwood agreed to extend its sewer lines beyond its boundaries to connect the Norwood-Norfolk School. This allowed the school to close its wells and use the more reliable water source from the village. The water line is owned and maintained by the village, but the School District reimbursed the village for the cost of extending the line. The School District continues to pay for usage, based on consumption at

a rate of \$5.00 per 1,000 gallons of water consumed. The Village of Norwood won the *Environmental Project of Year Award* for this project.

- **Future DPW Garage:** The Village of Norwood in collaboration with the Norwood Norfolk Central School (NNCS) and the St. Lawrence County Highway Department are exploring the possibility of building a shared garage and maintenance facility adjacent to the school that would be accessible to all parties.

## HOW THE VILLAGE AND TOWNS PROVIDE MUNICIPAL SERVICES

The Village of Norwood and the Towns of Norfolk and Potsdam each provide certain municipal services to residents. This section of the report will document how key municipal services are currently provided along with associated costs and staffing levels.

The majority of the analysis is provided for the Village of Norwood and the Town of Potsdam. Given that only a small portion of the Village of Norwood lies in the Town of Norfolk, significant detail about how the town provides services is not included in this report. As the implications for the Town of Norfolk are relatively straightforward, they are discussed briefly toward the end of this section and are not integrated throughout this section of the report.

### General Administration

#### *Elected Representation*

The village board consists of four trustees and one mayor. The mayor receives \$3,976 annually and each trustee receives \$2,272. The total expenditure amount for this function in the 2012-2013 fiscal year is approximately \$15,000. The Town of Potsdam board also consists of four councilors and a supervisor. The 2012 expenditures for this function is approximately \$35,000.

<b>Elected Representative Expenditures - FY 2012-2013</b>		
	<b>Town of Potsdam</b>	<b>Village of Norwood</b>
Board Salary	\$17,000	\$9,088
Mayor/Supervisor Salary	\$15,000	\$4,126
Social Security/Medicare	\$2,287	\$999
Municipal Association Dues	\$1,100	\$1,186
<b>Total</b>	<b>\$35,387</b>	<b>\$15,399</b>

*Source: Norwood budget, 2012-2013, Town of Potsdam budget, 2012*

## **Administrative Staff**

The Village and Town of Potsdam provide an array of municipal services in a variety of ways. Town and village office staff offer the services that many people think of as vital to local governance, and often also serve as the “face” of the municipality, as the employees that residents most often encounter when they call the offices or come to the village office or town hall to take care of business.

The town and village both have staff that serve as support for the elected boards, collect taxes, handle vital statistics, manage public/legal notices, monitor and track day-to-day accounting functions, and support the general operations of each community.

There are two administrative staff at the Village of Norwood, the clerk and deputy clerk. Given the small size of the organization, administrative staff supports many village departments (e.g. water). The staff is not unionized.

The Town of Potsdam administrative staff consisted of 6.5 full-time employees in 2010. The town clerk is an elected position. The town administration office is responsible for records administration, tax collection, assessment and other related duties. The elected Town Supervisor oversees day-to-day operations on a part-time basis. Some of the administrative staff are unionized and are covered by Teamsters.

## **Administrative Staff Expenditures**

The village administrative staff expenditures, including benefits total approximately \$67,000 for the fiscal year 2012-2013. Similar expenditures for the Town of Potsdam totaled approximately \$334,000 for the 2010-2011 fiscal year.

Administrative Personnel Expenditures			
	Wages	Benefits*	Total
Village of Norwood	\$44,618	\$24,986	\$69,604
Town of Potsdam	\$227,615	\$106,841	\$334,456

*Source: Wage and benefit information from 2010-2011 for Town of Potsdam and 2012-2013 from Village of Norwood.*

## **Buildings Facilities**

The Village of Norwood owns, operates and maintains a number of properties and buildings. These properties are not taxed. They include:

- The Village Hall
- Water treatment plant and well house
- DPW garage
- Recycling garage
- Sewage treatment facility
- Community Center
- Police Station
- Museum

The Town of Potsdam also owns, operates and maintains a number of properties and buildings. These properties are also not taxed. They include:

- Town Hall at 12 Elm St.
- Town Court at 35 Market Street (currently being renovated)
- Highway garage
- Sewage treatment plant and Town dump
- Water plant; two wells
- Gravel pit, wood lot
- Unionville playground; Postwood Park
- Old pump house site and one vacant lot

A complete listing of village-owned property and equipment is included in Appendix B.

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\* Benefits for the Village of Norwood were calculated by adding 50% of the total salary cost. Benefits for the Town of Potsdam were provided in detailed wage and benefits information from the Town.

## Agreements & Contracts

The Village of Norwood has a number of agreements and contracts. Notable agreements include:

- Cooperative agreement with the Town of Potsdam regarding the DPW and Highway Departments.
- Agreement to provide fire protection services to a portion of the Town of Potsdam.
- Agreement to provide fire protection services to a portion of the Town of Stockholm.
- Contract with the Village attorney
- Contract with the Golden Ages senior citizens group to provide them with an annual amount of money to be used for their building rental.
- Contract with the Norwood Museum
- Contract with the Potsdam Rescue Squad

In 2010-2011, the Town of Potsdam had agreements and contracts with a number of organization and entities. The town's notable agreements are with the following organizations:

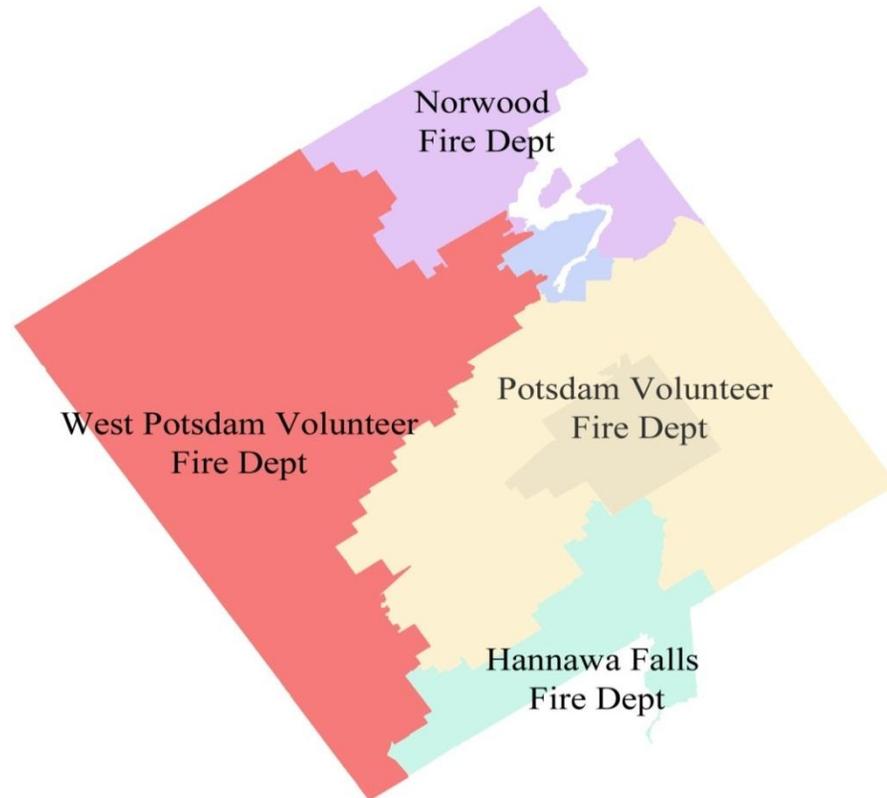
- Potsdam Humane Society for animal control
- Senior citizens organizations including Sandstoners, Debra Drive and Golden Agers
- Potsdam Chamber of Commerce
- Veterans organizations, Inc. VFW and American Legion
- Fire contracts with Potsdam, Norwood, Hannawa Falls and West Potsdam fire departments
- Potsdam Volunteer Rescue Squad
- Potsdam and Norwood recreation, Crary Mills Playground
- Potsdam Public Museum and Norwood Museum
- Norwood Library, Norwood Village Green Concert Series

## Fire Protection Services

### Overview

There are a number of fire protection agencies in the region. The Town of Potsdam operates a fire protection district and has contracts with four agencies including the Norwood Fire Department, the West Potsdam Volunteer Fire Department, the Potsdam Volunteer Fire Department and the Hannawa Falls Fire Department. The area covered by each department is indicated in the map of the Town of Potsdam, below. There are detailed

arrangements regarding who responds where and with what equipment. Dispatch is performed by the county 911.



The Village of Norwood operates the Norwood Volunteer Fire Department, which is incorporated as a non-profit organization. The fire department has approximately 40 members and is run by a board of chiefs who are elected from among the membership and approved by the Village Board. The Village owns the equipment, the trucks, the buildings and provides insurance for volunteers. The Town of Potsdam contracts with the Village to provide fire protection in the Town just outside of the Village boundaries.

## Expenditures

For the 2012-2013 fiscal year the Village of Norwood has budgeted \$50,000 for the Norwood Fire Department, with \$35,125 from the Town of Potsdam and \$14,875 from the village.

Norwood Fire Department	Expense
Town of Potsdam	\$35,125
Village of Norwood	\$14,875
<b>Total</b>	<b>\$50,000</b>
<i>Source: 2012 Town of Potsdam budget and 2012-2013 Village of Norwood budget</i>	

## Rescue

The Potsdam Volunteer Rescue Squad (PVRS) provides emergency medical and rescue services to the Village and Town of Potsdam, the Village of Norwood and parts of the towns of Pierrepont and Stockholm. The service district covers an area of approximately 150 square miles with a population of more than 16,000. There are approximately 50 PVRS volunteers. For the 2012-2013 fiscal year, the Town of Potsdam and the Village of Norwood have budgeted \$42,752 in expenditures for this service.

Potsdam Volunteer Rescue Squad	
	Amount
Town of Potsdam	\$28,752
Village of Norwood	\$14,000
<b>Total</b>	<b>\$42,752</b>

*Source: 2012 Town of Potsdam budget and 2012-2013 Village of Norwood budget*

## Police Services

### Overview

The Village of Norwood runs a police department that is staffed 365 days a year by 11 part-time officers. The police typically work eight-hour shifts in the evening from 4:00 p.m. to 12 a.m. or from 7:00 p.m. to 3:00 a.m. The officers also cover community events such as the 4<sup>th</sup> of July or Christmas parade. Dispatch is provided by the St. Lawrence County Sheriff's department. The Norwood police department has two vehicles and is mostly responding to basic calls in the community.

The Town of Potsdam does not have a police force. Town residents receive protection from the Sheriff and the NYS Police.

The St. Lawrence County Sheriff's department covers an area that is approximately 2,800 square miles and responds to calls all over this area, including in the Village of Norwood and around the lake in the Town of Potsdam. Dispatch for the Village of Norwood PD is routed through the County dispatch center (at no cost to the Village).

The Village of Potsdam Police Department only serves the population within the Village limits, unless professionally cooperating with other law enforcement agencies (e.g. St. Lawrence County Sheriff and New York State Police). SUNY Potsdam University Police remain on campus by law.

The Village of Norwood PD, the Village of Potsdam PD and the Town of Norfolk PD assist each other as needed (the Town of Norfolk PD operates six days a week and is also staffed by part-time officers). The Village of Norwood also has a mutual aid agreement with the County.

## Staffing

The Village PD includes 11 staff who work eight-hour shifts. Staff does not receive sick time, vacation time or benefits.

## Expenditures

The Village of Norwood has budgeted \$71,443 for police for 2012-2013.

Village of Norwood Police	
Description	Amount
Police personal service	\$45,000
Police equipment	\$2,000
Police contract	\$12,000
Police Building (Youth) C.E.	\$5,000
Fire/Police Retirement	\$4,000
Social Security / Medicaid	\$3,443
<b>TOTAL</b>	<b>\$71,443</b>

*Source: 2012-2013 Village of Norwood Budget*

*\*The police do not receive any employee benefits.*

## Water / Sewer

Most of the parcels in the Village of Norwood are connected to water and sewer. There are new water wells, water lines and a water tower. The village has one staff person responsible for maintaining the water and sewer operations, with additional help from the DPW Supervisor, as needed. The village occasionally assists the Town of Potsdam with issues that may arise with their water or sewer system.

In 2008, the water lines were extended into the Town of Norfolk and connected to the Norwood-Norfolk School. New York State paid for the new water line from the village. Further to a shared services agreement with the school, the village receives \$5.00/1,000 gallons from the school. This project received an award for the “Environmental Project of the Year”.

Despite this award, the village received a citation from the NYS Department of Environmental Conservation (DEC) for the village sewer plant. As a result, sewer and storm water lines were upgraded in 2010 for a cost of \$2.3 million\*.

The sewer plant is currently at or over the flow limit as a result of being flooded by the wetlands that surround the village. The village is trying to work with DEC to address this issue. There is no additional capacity to expand the system. The residential homes around the lake in the 13668 zip code area are currently on wells. A potential challenge of extending the sewer to these properties is that the waste would have to be pumped uphill to the facility.

The Town of Potsdam has a small water and sewer district in the hamlet of Unionville and contracts with a private firm for meeting state testing and operations requirements. Between the user fee and tax levy, Unionville residents pay 100% of the operating costs of their water and sewer plants.

## Revenues & Expenditures

Water and sewer in the Village of Norwood is paid for through user fees. During the 2012-2013 fiscal year, the expenditures for these departments totaled \$222,000 for water and \$333,000 for sewer. Revenues for these services nearly match expenditures at \$193,000 for water and \$295,000 for sewer.

Village Water and Sewer		
	Water	Sewer
Expenditures	\$90,173	\$173,173
Debt Service	\$102,827	\$129,427
Employee Benefits	\$29,149	\$30,825
<b>Total Expenditures</b>	<b>\$222,149</b>	<b>\$333,425</b>
<b>Total Revenues</b>	<b>\$193,000</b>	<b>\$295,200</b>
<b>Difference between expenditures and revenues</b>	<b>-\$29,149</b>	<b>-\$38,225</b>

*Source: Village 2012-2013 budget*

\* Village of Norwood Project Report 2008-2011

## Department of Public Works / Highway

The Potsdam Town Highway Department and the Village of Norwood Department of Public Works (DPW) offer a variety of services, depending on the infrastructure and demands of their respective service areas. Residents in denser communities such as villages, often expect more services than their neighbors in towns.

Services that both departments provide include the following:

- Sidewalk maintenance
- Water supply system
- Sanitary sewer maintenance
- Storm water system
- Mowing
- Snow plowing and removal
- Tree maintenance
- Vehicle maintenance

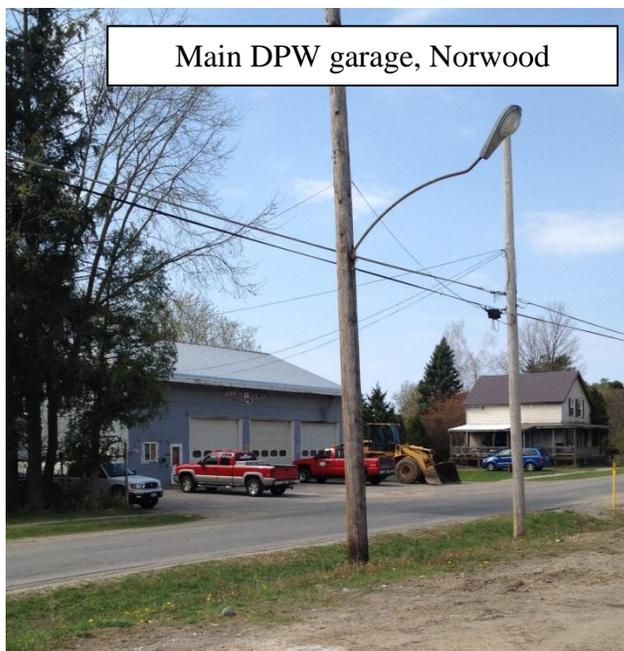
The village provides leaf and brush pick-up during the fall and spring, whereas the town does not offer this service.

The town and village departments collaborate as needed. For instance, the town does ditching and paving in the village and the village does sewer flushing in the town.

### **Facilities**

The Village of Norwood DPW site consists of three buildings, two of which are unheated. These buildings are used for equipment, vehicle storage and maintenance and salt storage.

There is no additional space in the heated garage. There is some available space in one of the unheated storage buildings (which is approximately 60 by 100 square feet). This building could be insulated and turned into a DPW garage. The site itself is located in a residential neighborhood, which means that residents hear the trucks coming and going (which includes early mornings for snow removal). An additional building could be added at this site, although expanding the facilities in this residential area may not be ideal.



The Town of Potsdam highway site also consists of three buildings, two of which are unheated. The town currently shares its salt shed with the County. There is little additional space at the town highway site for new buildings.

### ***Staffing and Expenditures***

The village DPW includes the Supervisor, the water and sewer plant operator and four full-time machine equipment operators for a total of six full-time positions. There is also one part-time machine equipment

operator and two summer laborers. In 2010-2011, the town highway department consisted of 17 full-time equivalents. The village DPW staff is not unionized, whereas the town highway staff (with the exception of the Superintendent) is part of Teamsters 687. The personnel costs, including associated benefits are provided in the table below.

<b>Public Works Personnel Costs</b>		
	<b>Village of Norwood (2012-2013)</b>	<b>Town of Potsdam (2010- 2011)</b>
Wages	*\$210,200	\$541,240
Benefits	\$117,712	\$237,400
<b>Total</b>	<b>\$327,912</b>	<b>\$778,640</b>
* excludes administrative time and water and sewer functions.		
<i>Source: Personnel data provided by the Village and Town</i>		

Total expenditures for the village DPW amount to approximately \$338,000 in the 2012-2013 budget (excluding benefits). This amounts to approximately 20% of all village expenditures. In the Town of Potsdam, the highway expenditures amount to \$1,765,000, which is closer to 50% of total expenditures in the town.

<b>DPW / Highway Expenditures 2012-2013</b>		
	<b>Amount</b>	<b>% of Total Expenditures</b>
Village of Norwood	\$338,300	21%
Town of Potsdam	\$1,764,985	54%

*Source: Town 2012 budget and Village 2012-2013 budget*

## Courts

The Village of Norwood does not maintain a village court. Court services are provided by the towns of Potsdam and Norfolk.

### **Court Services in the Town of Potsdam**

Between January 1, 2011 and December 31, 2011, the Norwood Police Department issued the following citations in Norwood:

- 25 Penal Law (Criminal)
- 87 Vehicle and Traffic Law Infractions
- 5 Norwood Village Ordinance Infractions

These issues are addressed by the Town of Potsdam court. The figures noted above represents 5% - 6% of the court's total caseload. The New

York State Police and St. Lawrence County Sheriff also issue tickets in Norwood.

The Town of Potsdam court has 2 part-time elected justices, one full-time court clerk and one part-time court clerk. Expenditures for court services in the 2012 town budget amount to \$80,146 (excluding benefits). In 2011, the court dealt with the following tickets and infractions:

- 226 Penal Law Violations (Criminal)
- 1,646 Vehicle and Traffic Tickets
- 78 Civil/Small Claim Cases
- 73 Misc. (e.g. Transportation Law, Corrections Law, etc.)

### ***Facilities in the Town of Potsdam***

The court building is currently located at 12 Elm Street in the Village of Potsdam, but will be re-locating to 35 Market Street following renovation. The building at 35 Market Street has enough space that the Village of Potsdam could be co-located at this site. Leaders in both the Village and the Town of Potsdam have expressed an interested in co-locating and/or consolidating the courts in the future.

### **Codes and Ordinances**

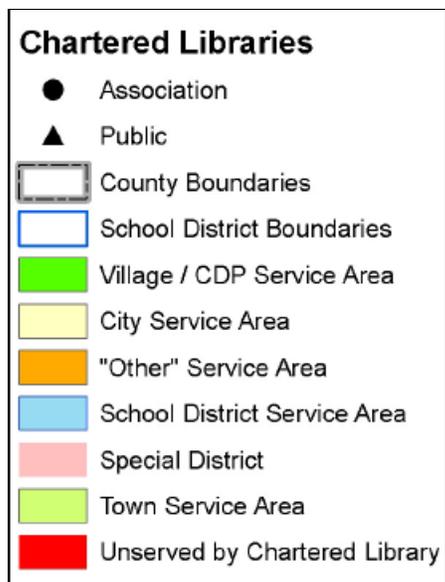
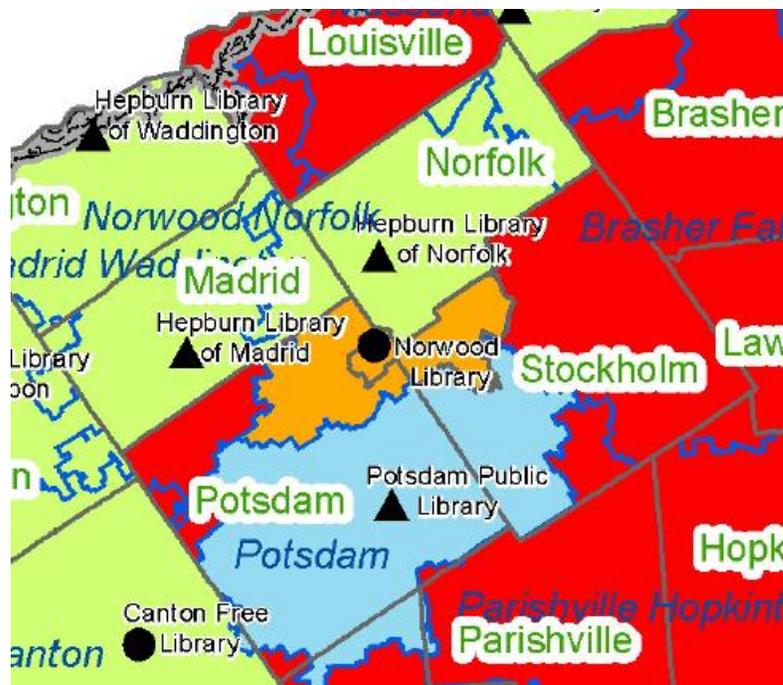
The Village of Norwood has a part-time code enforcement officer. On average over the past two years, the village has issued 25 permits per year. The 2012-2013 salary for the code enforcement officer is \$3,000.

The village also has planning and zoning boards, which are staffed by volunteers. The expenditures for this function in 2012-2013 are \$8,200.

The Town of Potsdam has one full time code enforcement/zoning enforcement officer and no administrative assistant. In 2009, the town issued approximately 530 permits, 150 of which were in the TOV. Wage and benefits for the town code department in the 2010 fiscal year totaled \$42,589.

### **Library**

In November 2011, residents voted in support of the creation of a new library district. The new district includes the Village of Norwood and the portion of the Norwood-Norfolk Central School District that lies in the towns of Potsdam and Stockholm, as indicated by the red line on the map below. This boundary ensures that there are no service area overlaps and that funding will be collected only from taxpayers that are not currently paying taxes for a neighboring library (i.e. Norfolk or Potsdam). The library district was established by the NYS legislature in June 2011.



Source: <http://www.nysl.nysed.gov/libdev/libs/publibs/nclsstla.htm>

## Recreation & Culture

### *Village of Norwood*

Recreation and culture services for the Village of Norwood include the Village Green, the beach, two museums and contributions to the summer program run by the Norwood-Norfolk School District.

**Village Green:** Located adjacent to the Municipal Building, the Village Green is a prominent feature connecting downtown businesses to neighboring residential areas. The Village Green Annual Concert Series is held during the summer and regularly hosts prominent musicians and acts.

**Village Beach:** Village of Norwood also maintains a beach along the Raquette River. This is a popular destination that draws visitors from many neighboring communities. Access to the beach is free for all visitors.

**Norwood Museum:** The Norwood Museum informs visitors of the history of the Village development, residents and businesses.

**Norwood Railroad Museum:** The village purchased a condemned building in the heart of downtown to transform it into a Railroad Museum, celebrating the community's place in transportation history. The News Block building was built in 1876 and served as home of the Norwood News until 1941. The building is being remediated and the Village is collaborating with other organizations on the development of the museum.

## ***Town of Potsdam***

The recreation department is jointly funded by the Town and Village of Potsdam and is overseen by a joint board of elected officials from both communities. The recreation department includes the Pine Street Arena, and the Sandstoner and Postwood parks.

## ***Expenditures***

According to the 2012-2013 village budget, expenditures for recreation and culture amount to \$110,000. The Town of Potsdam has budgeted a total of \$211,000 in expenditures for the 2012 fiscal year.

<b>2012-2013 Expenditures on Recreation &amp; Culture</b>				
	Town of Potsdam	% of Total Expenditures	Village of Norwood	% of Total Expenditures
Recreation	\$167,954	5%	\$92,900	6%
Culture	\$43,095	1%	\$17,150	1%
<b>Total Recreation &amp; Culture</b>	<b>\$211,049</b>	<b>6%</b>	<b>\$110,050</b>	<b>7%</b>

*Source: 2012 Town of Potsdam budget and 2012-2013 Village of Norwood budget*

In 2012, the Town of Potsdam will contribute \$4,500 to the Village Museum, \$3,300 to the Village Green and \$13,000 directly to the Village for recreation. The Town of Potsdam contributes a total of \$20,800, to Village recreation and culture services.

Town of Potsdam Contributions to Norwood Services	
	Amount
Norwood Recreation	\$13,000
Norwood Museum	\$4,500
Norwood Village Green	\$3,300
<b>Total contributions to Norwood</b>	<b>\$20,800</b>

*Source: Town of Potsdam budget, 2012*

## PART 2: REVIEW OF OPTIONS

Over the course of the study, the committee considered four main options as follows:

- Option 1: Do not dissolve the village.
- Option 2: Do not dissolve the village and share services.
- Option 3: Dissolve the village.
- Option 4: Create a coterminous Town-Village of Norwood.

The service implications of these options are outlined below.

### Option 1: Do not dissolve the village

As discussed previously in the report, the 2012-2013 tax rate in was \$14.41 for Village properties located in the Town of Potsdam. If the village does not dissolve, Norwood residents will continue to receive services from the village and the two towns.

### Option 2: Do not dissolve the village and share services

In the event that the village does not dissolve, it could consider alternatives for delivering village services through collaboration with either town. Local governments have authority for the provision of joint services through Article 5 of the General Municipal Act. The village could further explore the following shared services with the Town of Potsdam:

- The town and village could explore collaborating on the financial administration of their organizations, which may reduce the personnel requirements for the village.

- The town and village could collaborate on code enforcement. Combining this service across the two governments would enable the elimination of the village code enforcement officer position.
  - The town and village could create joint planning and zoning boards. The composition, cost and operation of the joint boards would be negotiated and detailed in a joint inter-municipal agreement between the two communities. This option does not result in significant cost savings, although it does reduce the number of volunteers needed in the village.
- The village could also consider shared services with the Town of Norfolk. A possibility could include a future DPW garage site located at the school, although the present town highway site meets its needs well.

### Option 3: Dissolve the Village

#### *Implications for Properties in the Town of Potsdam*

This section identifies how services will be continued in the event of dissolution. The committee reviewed each of the items below and where there was a choice, identified the preferred option. The recommended option has been included in this report and in the Dissolution Plan.

- **Elected Representatives:** Under village dissolution, the village board will no longer exist. No additional resources will be allocated to the town board or supervisor.
- **Administrative Staff:** The Town of Potsdam can absorb the additional workload from the Village. There may, however, need to be an additional half-time position to handle water and sewer billing.
- **Facilities:** Unless otherwise provided for in the dissolution plan, all real property becomes the property of the town upon dissolution. The debt associated with the Village Hall will remain with the former village tax payers in the Town of Potsdam.
- **Agreements and Contracts:** The village agreements and contracts would require legal review during the transition to transfer them to the Town of Potsdam.
- **DPW / Highway:** To handle the additional work load, the town would retain Village staff. As there is no extra room at the Town of Potsdam Garage, the Norwood DPW site would be retained as a satellite operation of the town highway department. Efficiencies are likely to emerge in the future that would permit a net reduction in staff. Finding and acting upon this possibility would be the responsibility of the Town Highway Superintendent.
- **Fire:** Fire services would continue to be provided by the Norwood Fire Department. The Fire Department may need to re-incorporate as a non-profit organization under the Town of Potsdam. The town will need to

extend the boundaries of the fire district to include the former village area.

- **Rescue:** Rescue services would continue to be provided by the Potsdam Volunteer Rescue Squad through a contract with the Town of Potsdam.
- **Village Code:** If the Village were to dissolve, the General Municipal Law Article 17A section 789 provides that all local laws, ordinances, rules and regulations will remain in effect for a period of two years following dissolution. A preliminary review of what would happen to each of the village ordinances is provided in Appendix C.
- **Planning and Zoning Boards:** Upon dissolution, the village planning and zoning boards will cease to exist (and the work will flow to the town planning and zoning board).
- **Retirees:** Post-retirement health benefits for retired village employees would continue to be provided for by former village residents in the Town of Potsdam.
- **Additional Revenues:** Upon dissolution, revenues the village now receives in state aid, Consolidated Highway Improvement Program (CHIPs) funding and mortgage tax would become revenue of the towns of Potsdam and Norfolk.
- **Water and Sewer:** The Town of Potsdam would create special taxing districts for water and sewer based on the boundary of the former village that lies within the town. The town would not be able to tax those properties within the Town of Norfolk and contract with the Town of Norfolk to deliver services to those properties. The water and sewer debts would remain with the new Town of Potsdam special water and sewer districts. Rates for the properties in the Town of Norfolk would include a portion of these debt payments.
- **Police:** Police services would become a special police district within the boundary of the former Village, subject to State legislative approval. Costs associated with police services will be assigned to this special taxing district.
- **Street Lighting:** Street lighting within the former village will be continued by the town through the creation of a special district. The cost of street lighting will be levied by the town through a special assessment district that will include all former village properties.
- **Sidewalk Maintenance:** Sidewalk maintenance will be continued by the town through the creation of a special district. The cost of this service will be levied by the town through a special assessment district that will include all former village properties.
- **Leaf and Brush Pick-Up:** Leaf and brush pick-up will continue to be provided by the town and the costs for this service will shift town-wide.
- **Street Cleaning:** The town will continue to provide this service to the former Village upon dissolution. Costs for this service will be included in the town's highway budget for the areas outside of villages.

- **Debt:** Village debt for City Hall as well as the ongoing cost of retiree health insurance will continue to be borne by former village taxpayers within the Town of Potsdam.

### *Implications for Properties in Town of Norfolk*

Within the Town of Norfolk, there are 47 taxable parcels in the Village of Norwood with a taxable assessed value of \$1,848,735. Most of these residences have water and sewer hook-up from the village. Route #56 is plowed by the state and the village plows and maintains the remaining two streets.



If the village dissolved, the Town of Norfolk would be responsible for providing services to the former village parcels that lie within the town. It is assumed that the town would provide these services at no additional cost to town tax payers.

- **Road maintenance:** The Norfolk highway department would be responsible for the streets (apart from Route #56).
- **Snow removal:** Snow removal along Route #56 would continue to be provided by the state. The town would be responsible for the side-streets.
- **Police:** Residents would be covered by the Norfolk police department.
- **Recreation:** This service would become the responsibility of the Town of Norfolk. Norfolk recreation includes three parks, a community center and participation in summer programs through the Norwood-Norfolk School District.
- **Fire:** The former village area would be included in the Norfolk fire district and would be taxed for this service.

- **Water and Sewer:** The Town of Norfolk would create water and sewer districts for the former village residents and contract for these services with the Town of Potsdam. The school would contract with the Town of Norfolk for water.
- **Library:** Residents in the Village of Norwood who reside in the Town of Norfolk are taxed for the Norfolk library. Should the village dissolve, this arrangement would continue unchanged.

## Option 4: Coterminous Town-Village of Norwood

If the Village of Norwood does not dissolve, there may be other governance models that merit consideration, such as the creation of a coterminous town-village. This section of the report will briefly describe the coterminous model, how it could be created, and the potential boundaries for a coterminous Town-Village of Norwood. The service and cost implications are included in the following section of the report (i.e. Part 3: Tax Impact).

### *What is Coterminous Town-Village?*

A coterminous town-village is a partially to fully consolidated municipality with shared borders where each entity retains its identity and governmental authority. Depending on how the coterminous unit is formed, the town and village may function together as a single unit of government, meaning the duties and responsibilities of both entities are carried out by one group of officers and employees. In such an example, the same person serves as both the village mayor and town supervisor, and the village board members also effectively serve as the town board.

The creation of a coterminous town-village would mean that Norwood would no longer fall under the jurisdiction of either the towns of Norfolk or Potsdam. As a result, Norwood residents would no longer pay taxes to either of these towns.

### *Where is it used?*

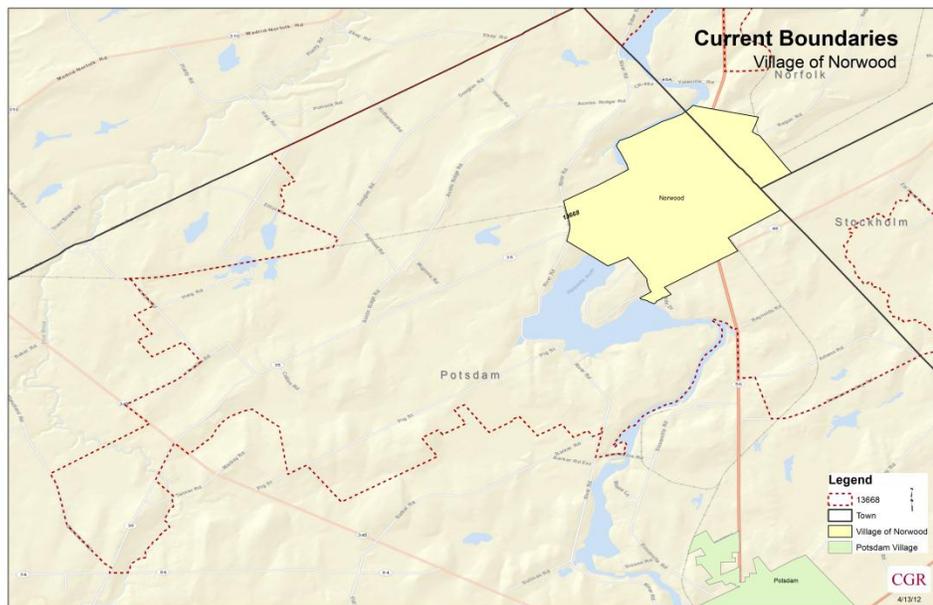
Currently in New York State there are only five coterminous relationships among the 932 existing towns and 554 villages. Three of them – Mount Kisco, Harrison and Scarsdale – are in Westchester County. The others are Green Island (Albany County) and East Rochester (Monroe County). Among the group, East Rochester is the most recent to adopt coterminous status, having transitioned in the early 1980s.

## What are the boundaries of a coterminous Town-Village of Norwood?

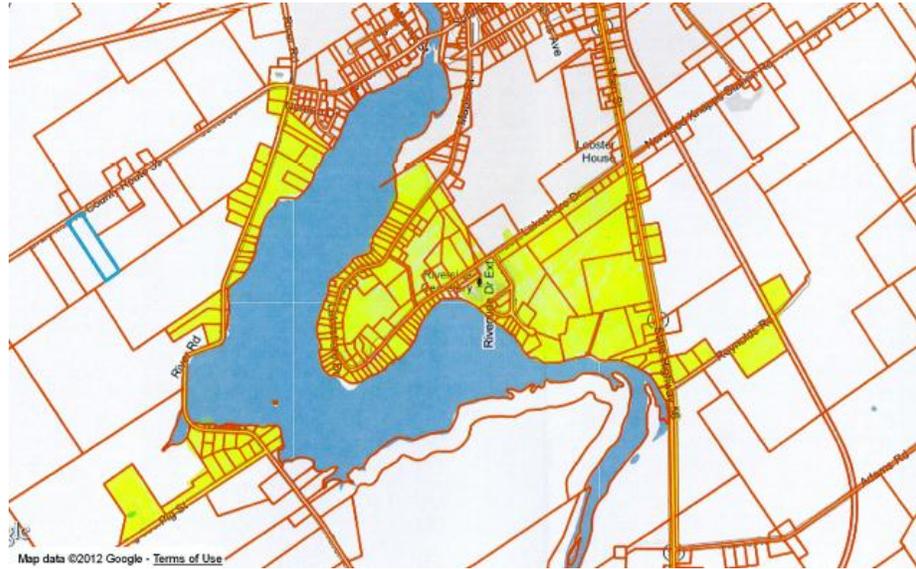
If the Village of Norwood became a coterminous Town-Village, the boundaries would likely need to be negotiated and agreed to by the affected local governments and ultimately, approved by the state. For the purposes of this study, the coterminous Town-Village of Norwood is considered following two possible boundaries, a larger one that includes the 13668 zip code area within the Town of Potsdam and a smaller one that includes the streets immediately along either side of the lake. Both boundaries are indicated in the maps, below.

By expanding the village boundary to include additional area around the lake (and currently in the Town of Potsdam), the village would be able to manage growth and service demands around its boundary. A larger boundary would also align with the sense of community that exists for the greater Norwood area, which includes residents around the lake.

### Larger Boundary



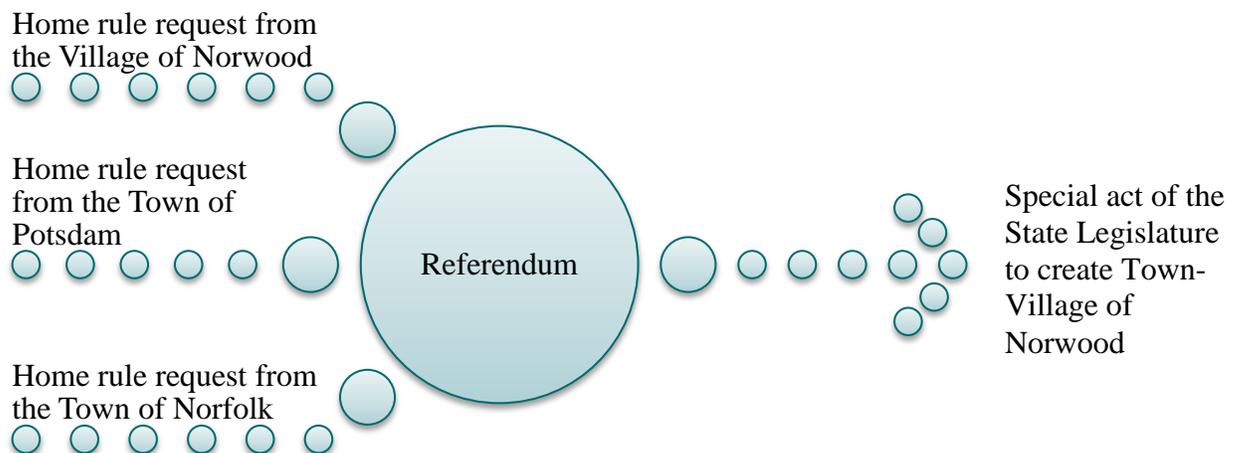
### Smaller Boundary



## ***How is a coterminous town-village created?***

There is no existing state legislation to guide the creation of a coterminous town-village with new boundaries. As such, the coterminous town-village would require a special act of the State Legislature. This process requires each existing local government that is requesting the change to submit a “home rule request” to the Legislature to enact the bill. A formal referendum is not required using this approach, but typically the State Legislature would condition the formation upon approval from the voters. The Town and Village of Green Island were both formed under separate acts of the legislature using this method.

### Process for Creating a Coterminous Town-Village



## What is the tax base for a coterminous Town-Village of Norwood?

In order to calculate the tax rate for the new coterminous town-village, it's important to know the tax base across which the tax burden will be distributed. As noted early on in the report, the total taxable assessed value in the Village of Norwood is approximately \$42 million - \$2 million of which is in the Town of Norfolk and \$40 million of which is in the Town of Potsdam.

The large boundary area in Town of Potsdam (outside either village) would add an additional \$39 million, bringing the total taxable assessed value up to approximately \$88 million. The small boundary area would add an additional \$25 million, bringing the total taxable assessed value up to \$68 million.

<b>Current Assessment, Properties in Coterminous Town-Village</b>			
	Total Assessed Value	Exempt	Taxable Assessed Value
Norwood in Norfolk	\$2,264,692	\$415,957	\$1,848,735
Norwood in Town of Potsdam	\$51,268,662	\$11,358,718	\$39,909,944
Large boundary area	\$46,232,824	\$6,710,500	\$39,522,324
Small boundary area	n/a	n/a	\$25,806,500
Total Large Boundary	\$99,766,178	\$11,774,675	\$87,991,503
Total Small Boundary	n/a	n/a	\$67,565,179

*Source: St. Lawrence County Office of Real Property*

The taxable assessed value (TAV) in the Village of Norwood constitutes 1.4% of the total TAV in the Town of Norfolk and 8.5% in the Town of Potsdam.

The large boundary area (not including the Village of Norwood), constitutes an additional 8.4% of the total TAV for the Town of Potsdam and the small boundary an additional 5.5%.

If a coterminous Town-Village of Norwood is created using either the large or small boundary, the Town of Norfolk would lose 1.4% of its TAV and the Town of Potsdam would lose either 16.9% or 14% of its TAV.

## PART 3: TAX IMPACT

This section of the report explores the impact of dissolution on tax rates for existing village taxpayers and Town of Potsdam taxpayers living outside the village. It also explores the impact of creating a coterminous town-village on the tax rates for village taxpayers and for those to be included in the new town. These are not projections of future tax rates. Rather, they use 2012-2013 figures to assess how the distribution of tax burden in 2012-13 would be different under a new structure.

### Estimated Tax Impact of Dissolution

There are a number of elements to consider in calculating the tax impact of dissolution including the impact on expenditures and revenues and the allocation of costs to either the former village or to the town. These elements are briefly discussed below, followed by the estimated tax impact.

#### Expenditure and Revenue Impact

As a result of dissolution, some expenditures will be eliminated and some revenues will no longer be available. The mayor and board, municipal dues and the zoning and planning boards will be eliminated for a total reduction of \$23,600 in expenditures. Following dissolution, the Town of Potsdam will not receive the gross utility tax that was previously collected by the former Village, which means that 2011-12 revenues would have been reduced by \$23,000. Lost revenue and reduced cost are nearly identical. NYS CETC Aid would add an estimated \$200,000 in revenue\*.

Summary of Estimated Dissolution Changes	
<b>Expenditure Changes</b>	
Elimination of Mayor & Board Costs	-\$14,214
Elimination of Municipal Dues	-\$1,186
Elimination of Village Zoning & Planning Board Costs	-\$8,200
Subtotal of Expenditure Changes	-\$23,600
<b>Revenue Changes</b>	

\* Note: The information in this footnote is requested per the Village contract with the NYS Department of State. Based on the table titled, *Summary of Estimated Dissolution Changes*, the total impact of dissolution, without the application of the CETC, is a savings of \$600. The application of \$201,153 in CETC brings the total dissolution savings to \$201,753. In the Village of Norwood (within the Town of Potsdam), dissolution savings amount to \$0.38 per capita without CETC and \$128.10 with CETC. The dissolution savings represent \$0.02 per \$1,000 taxable assessed value in the Village before application of CETC, and \$5.06 per \$1,000 TAV including CETC.

<b>Summary of Estimated Dissolution Changes</b>	
Elimination of Utilities Gross Receipts Tax	-\$23,000
Subtotal of Revenue Changes	-\$23,000
Difference between expenditures and revenues	\$600
<b>Impact of CETC</b>	
CETC Incentive - Increase to Revenue	\$201,153
Total Net Change with CETC – Increase to Revenue	\$201,753

## ***How is the Citizens Empowerment Tax Credit (CETC) calculated?***

If the Village of Norwood dissolves, the village is effectively consolidating partially with the Town of Potsdam and partially with the Town of Norfolk. This means that the towns of Potsdam and Norfolk would qualify for the CETC funding. This is equal to 15% of the combined village and town tax levies in the year prior to dissolution\*. The combined tax levy figure includes only the general and highway levies, not special district levies.

The CETC is subject to annual appropriations in the state budget process, just like every other annual state revenue source (for example, CHIPS highway funding). It has clearly been an important public policy objective of the Governor and State Legislature for the past five years to support consolidation initiatives by funding the CETC (and its predecessor programs) each year in the annual state budget. It is reasonable to project that such funding will continue in future years. However, to account for the potential that the CETC could be eliminated in future years, the tax rate projections are shown both with, and without the CETC.

The CETC is calculated by calculating averaging the Town of Potsdam and the Town of Norfolk levies and then adding the Village of Norwood levy. This CETC is equal to 15% of this amount. The grant is apportioned to the two towns based on the village population in either town. The result is that the Town of Potsdam will receive \$201,153 and the Town of Norfolk will receive \$10,473.

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\* Given that the Village of Norwood is divided between two towns, the aid is calculated by averaging the town levies, adding them to the village levy and the calculating 15% based on this figure. The aid amount is then divided between the two towns based on population.

## ***Special Taxing Districts***

As part of the Dissolution Plan, several services will be charged to property owners within the boundary of the former village. A special taxing district is not a governing body rather it is a taxing mechanism to properties which receive additional services within the Town of Potsdam. This draft dissolution plan is based on having several special taxing districts in the former village to pay for the following:

- Village water (including water debt)
- Village sewer (including sewer debt)
- Village street lights
- Village sidewalks
- Village debt (i.e. Village Hall, fire truck and retiree health insurance costs)
- Village police (requires state legislation)

## ***Tax Impact of Dissolution on Norwood and Town of Potsdam Taxpayers***

Prior to dissolution, village taxpayers pay a total of \$16.70 per \$1,000 of assessed value in property taxes to the village and the town. Upon dissolution, the rate will decrease by approximately 50% to \$8.50. Once the state aid is factored in, the rate drops even further to \$8.10. The decrease in the tax rate results from the elimination of some services and from shifting the costs of the former village onto the town tax base.

Prior to dissolution, residents who live in the Town of Potsdam (and are outside of either village) pay a total of \$3.2 per \$1,000 of assessed value in town taxes. Upon dissolution, this rate will increase by 25% to \$4.0 as town tax payers absorb some of the costs of the former village government. Once the state aid is factored in, the rate will decrease to \$3.60. Greater detail for both the village and the town tax payer is provided in the table below.

### What tax rate do you pay?

	Current Village of Norwood resident	Town of Potsdam resident, outside either village
<b>Tax rate TODAY</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$2.3	\$3.2
Village of Norwood	\$14.4	-
<b>Total</b>	<b>\$16.7</b>	<b>\$3.2</b>
<b>Tax rate with VILLAGE DISSOLVED--no state aid</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$4.0	\$4.0
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$4.5	n/a
<b>Total</b>	<b>\$8.5</b>	<b>\$4.0</b>
<b>Tax rate savings from Citizens Empowerment Tax Credit (CETC)</b>	<b>-\$0.4</b>	<b>-\$0.4</b>
<b>Net tax rate after CETC</b>	<b>\$8.1</b>	<b>\$3.6</b>

### 2012 Tax Impact Shown for Property Assessed for \$75,000 and for \$150,000

The table below shows the impact of dissolution for a property owner in the former village and the Town of Potsdam outside villages based on the median household price of \$75,000 and \$150,000. The table below excludes county and school taxes as well as water and sewer charges billed separately to residents. It also assumes that a police district is created, through a special act of the legislature.

A home in the former village valued at \$75,000 will see a decrease in property taxes from \$1,250 to \$640 before state aid is factored in. A comparable house in the town outside of villages will see an increase in property taxes from \$240 to \$300. Once NYS aid is factored in, the village property taxes will decrease further to \$610 and a town outside village property will decrease to \$270.

A home in the former village valued at \$150,000 will see a decrease in property taxes from \$2,500 to \$1,280 before state aid is factored in. A comparable house in the town outside of villages will see an increase in property taxes from \$480 to \$600. Once NYS aid is factored in, the village property taxes will decrease further to \$1,210 and a town outside village property will decrease to \$540.

### How much do you pay on a \$75,000 house?

Taxes paid TODAY	Current Village of Norwood resident	Town of Potsdam resident, outside either village
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$173	\$241
Village of Norwood	\$1,081	n/a
<b>Total</b>	<b>\$1,254</b>	<b>\$241</b>
<b>Taxes paid with VILLAGE DISSOLVED</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$302	\$302
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$336	n/a
<b>Total</b>	<b>\$638</b>	<b>\$302</b>
<b>Tax rate savings from Citizens Empowerment Tax Credit (CETC)</b>	<b>-\$32</b>	<b>-\$32</b>
<b>Net tax after CETC</b>	<b>\$606</b>	<b>\$270</b>

### How much do you pay on a \$150,000 house?

Taxes paid TODAY	Current Village of Norwood resident	Town of Potsdam resident, outside either village
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$347	\$482
Village of Norwood	\$2,162	n/a
<b>Total</b>	<b>\$2,509</b>	<b>\$482</b>
<b>Taxes paid with VILLAGE DISSOLVED</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$605	\$605
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$671	n/a
<b>Total</b>	<b>\$1,276</b>	<b>\$605</b>
<b>Tax rate savings from Citizens Empowerment Tax Credit (CETC)</b>	<b>-\$65</b>	<b>-\$65</b>
<b>Net tax after CETC</b>	<b>\$1,212</b>	<b>\$540</b>

### Impact of Police District

If the police district is not enabled through State legislation and the former Village relies on the County Sheriff and State Police (as the Town of Potsdam does currently), then the tax rate in the former Village will be further reduced by \$1.6 per \$1,000 of assessed value. For a home valued at \$75,000, eliminating the police service means that there would be an additional savings of \$120.

## Dissolution Transition Costs

The estimate for the onetime cost of dissolution is approximately \$20,000. This includes the following anticipated expenses:

- \$18,000 for legal fees to assist the village with the transition
- \$2,000 for miscellaneous expenses

Dissolution transition costs will have to be funded by the village. Sources for this funding include using available fund balance, obtaining grant assistance from the State or other village revenue sources.

## Estimated Impact of Coterminous Town-Village (Larger Boundary)

### Summary of Changes to Expenditure and Revenue

Should the Village of Norwood become a coterminous town-village, then it will cost approximately \$694,000 in additional expenditures. At the same time, the coterminous town-village will gain approximately \$210,000 in revenues. In total, the new municipality will have to raise about \$484,000 more from the property tax than the current village. Each of the items included in the table is described in greater detail in the pages to follow.

Summary of Changes for coterminous Town-Village of Norwood (\$1000)	
<b>Added spending</b>	
Court Services	\$19
Highway	\$275.5
Assessment	\$42.1
Administrative Staff	\$33.3
Benefits	\$275.7
Other (culture, rescue, dog control, fire)	\$48.7

Summary of Changes for coterminous Town-Village of Norwood (\$1000)	
<b>Subtotal of Expenditure Changes</b>	\$694.3
<b>Added non-property tax revenue</b>	
State Aid	\$21.8
Cable Franchise Fees	\$29.3
Mortgage Tax	\$13.4
County Sales Tax	\$106.5
CHIPS	\$38.7
<b>Subtotal of Revenue Changes</b>	\$209.7
<b>Deficit to be made up by property tax</b>	<b>-\$484.6</b>

## ***Estimating changes to revenues and expenditures for the Village of Norwood and Town of Potsdam***

There will be implications for the delivery of services should the village move to a coterminous town-village structure and no longer fall within the boundaries of the towns of Potsdam and Norfolk. In order to estimate the tax impact of this model, some assumptions about the cost of providing additional services to the new coterminous town-village of Norwood and fewer services to the Town of Potsdam are required.

### **Changes in Expenditures**

This report estimates the costs of the additional service responsibilities based on the projected expenditures in the Town of Potsdam and/or the Village of Norwood 2012-2013 budgets.

**Courts:** The total cost for court services in the Town of Potsdam is approximately \$121,000. There are 16,000 people in the town, which makes the cost per capita \$8. The combined population for the Village of Norwood and the 13668 zip code area is approximately 2,500. In order to deliver court services (directly or in collaboration with another town), it would cost the new coterminous town-village approximately \$19,000. At the same time, the Town of Potsdam could expect to see a reduction in court expenditures of the same amount.

**Highway:** The total cost for highway services in the Town of Potsdam is approximately \$1.7 million. There are 124 miles of road in the town, of which 24 miles (19%) are in the 13668 zip code area. By allocating the new Town of Norwood 19% of the Town's current highway costs, an additional \$275,500 will be added to the Town of Norwood budget. At the

same time, the Town of Potsdam could expect to see a reduction in highway expenditures of this same amount.

**Assessment:** The total cost of assessment in the Town of Potsdam is approximately \$197,000 (including benefits). There are 5122 taxable parcels in the Town, of which 1,287 (25%) are in the coterminous town-village. By allocating the new Town of Norwood 25% of the Town's current assessment costs, an additional \$42,100 will be added to the Town of Norwood budget. At the same time, the Town of Potsdam could expect to see a reduction in assessment expenditures of the same amount.

**Administrative Staff:** At least one additional full-time staff will be required to manage the larger organization. Based on the deputy clerk wage of \$10.25/hour, an additional full-time position (40 hours / week) at this wage would cost approximately \$33,000.

**Police:** No additional expenditures are being added for this service. The 11 part-time officers will cover the larger area, with continued collaboration from neighboring forces (as is currently the case).

**Fire:** The cost of fire may increase or decrease depending on whether or not the boundary for the Norwood fire department matches the 13668 zip code area. The Town of Norwood will no longer receive \$34,500 from the Town of Potsdam for this service (as the whole fire service area will be within the new Town – with the exception of the portion within the Town of Stockholm, which does not pay for this service).

**Other Services:** Additional amounts for the rescue squad (\$4,500) and dog control (\$2,300) were added to the coterminous budget (based on Norwood's per capita share of the Town of Potsdam's cost for providing these services). In addition, revenue received from the Town of Potsdam for fire (\$34,100) and culture and recreation (\$8,000) would need to be made up from the Norwood tax payers, as Potsdam will no longer be contributing to these services.

**Additional expenditures:** In the short term, there may be additional costs of running the new coterminous town-village government. An estimated \$40,000 was added to total expenditures to accommodate the growth and transition of the organization.

### Changes in Revenues

**County Sales Tax Revenue:** The formula for distributing County sales tax among municipalities is based on a combination of population and assessment. The new boundary for the coterminous town-village will result in approximately a \$106,000 shift in County Sales Tax revenue from the Town of Potsdam to the coterminous Town-Village of Norwood.

**State Aid and Mortgage Tax:** As a result of the larger population, the Town of Norwood could expect an increase of approximately \$21,800 in state aid and \$13,400 in mortgage tax revenue.

**CHIPS:** The Town of Norwood could expect approximately \$38,700 in additional CHIPS aid as a result of having more road miles within its boundary.

**Town of Potsdam Contributions:** The new coterminous town-village would no longer receive \$13,000 for recreation and culture and \$35,125 for fire protection from the Town of Potsdam.

**Citizens Empowerment Tax Credit (CETC):** In the summer of 2012, the state legislature extended the CETC aid to local governments that become coterminous town-villages. At the time of this report, however, it was not clear how Norwood's specific circumstances – straddling two towns and including additional territory – applied or would be accommodated. As such, an estimate for the CETC was not included in this analysis, although it may be applicable at a later date with further guidance from the State.

### Special Taxing Districts

In order to ensure that those who receive the service are those who pay for it, the coterminous town-village could create a number of special taxing districts to isolate costs from the former village. Potential districts would include water, sewer, city hall debt, village retiree health insurance costs, village lighting, village sidewalks, leaf and brush pick-up and street cleaning. The tax impact assumes the creation of these districts.

## ***Estimated Impact of a Coterminous Town-Village of Norwood***

Currently, the Village of Norwood (in Potsdam) resident is paying \$16.7/\$1,000 in village and town taxes. Should the village become a coterminous Town-Village and incorporate the 13668 zip code area in the Town of Potsdam, the tax rate will decrease to \$14.3/\$1,000. Despite the fact that the Town-Village budget would increase as a result of having greater service responsibilities, the tax rate for current village residents will decrease because the tax burden will be distributed across a larger pool of properties.

The tax rate for residents in the 13668 zip code area for the Town of Potsdam is currently \$3.2/\$1000. Following the creation of a coterminous Town-Village of Norwood, the tax rate will increase to \$11.2/\$1,000. The tax rate will increase as former Town of Potsdam residents will now be contributing to the cost of maintaining the former Village of Norwood.

Greater detail for both the former Village and 13668 zip code area residents are provided in the table below.

### What tax rate do you pay?

	Current Village of Norwood Resident	Town of Potsdam Resident in large boundary area
<b>Tax rate TODAY</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$2.3	\$3.2
Village of Norwood	\$14.4	-
<b>Total</b>	<b>\$16.7</b>	<b>\$3.2</b>
<b>Tax rate with TOWN/VILLAGE NORWOOD</b>		
Town of Norwood (includes highway, fire, but not special district like water or sewer)	\$11.2	\$11.2
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$3.1	n/a
<b>Total</b>	<b>\$14.3</b>	<b>\$11.2</b>

### 2012 Tax Impact Shown for Property Assessed for \$75,000 and for \$150,000

The tables below shows the property tax impact of creating a coterminous town-village based on the median household price of \$75,000. Residents in the former Village of Norwood would see their taxes decrease from \$1,250 to \$1,100 for a savings of \$150. Residents in the 13668 area would see their taxes increase from \$240 to \$840 (an increase of \$600).

The tables below also provide the same information for a property valued at \$150,000. Residents in the former Village of Norwood would see their taxes decrease from \$2,500 to \$2,100 for a savings of \$400. Residents in the 13668 area would see their taxes increase from \$480 to \$1,680 (an increase of \$1,200).

### How much do you pay on a \$75,000 house?

<b>Tax rate TODAY</b>	<b>Current Village of Norwood resident</b>	<b>Town of Potsdam Resident in large boundary area</b>
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$173	\$241
Village of Norwood	\$1,081	n/a
<b>Total</b>	<b>\$1,254</b>	<b>\$241</b>
<b>Tax rate with TOWN/VILLAGE NORWOOD</b>		
Town of Norwood (includes highway, fire, but not special district like water or sewer)	\$842	\$842
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$231	n/a
<b>Total</b>	<b>\$1,073</b>	<b>\$842</b>

### How much do you pay on a \$150,000 house?

<b>Tax rate TODAY</b>	<b>Current Village of Norwood resident</b>	<b>Town of Potsdam Resident in large boundary area</b>
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$347	\$482
Village of Norwood	\$2,162	n/a
<b>Total</b>	<b>\$2,509</b>	<b>\$482</b>
<b>Tax rate with TOWN/VILLAGE NORWOOD</b>		
Town of Norwood (includes highway, fire, but not special district like water or sewer)	\$1,684	\$1,684
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$463	n/a
<b>Total</b>	<b>\$2,146</b>	<b>\$1,684</b>

## Estimated Impact of Coterminous Town-Village (Smaller Boundary)

The Village of Norwood could also explore the creation of a coterminous Town-Village of Norwood that incorporates fewer parcels from the Town of Potsdam and hence less service costs. This boundary would follow the road on either side of the lake (see map on page 41).

### Summary of Changes to Expenditure and Revenue

As a result of adding fewer parcels, people and road miles, the additional cost for the new Town-Village of Norwood would amount to \$234,800 and the additional revenue would amount to \$119,000. The net increase to the property tax levy would amount to \$115,800. Calculations to arrive at these figures were the same as the larger boundary scenario with adjustments for parcels, people and road miles.

### Estimated Impact of a Coterminous Town-Village of Norwood (Smaller Boundary)

A current resident in the Village of Norwood would see their property taxes decrease from \$16.7/\$1,000 to \$11/\$1,000. A resident in the smaller boundary in the Town of Potsdam would see their property taxes increase from \$3.2/\$1,000 to \$9.1/\$1,000. Greater detail is provided in the table below.

#### What tax rate do you pay?

	Current Village of Norwood resident	Town of Potsdam Resident in small boundary area
<b>Tax rate TODAY</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$2.3	\$3.2
Village of Norwood	\$14.4	-
<b>Total</b>	<b>\$16.7</b>	<b>\$3.2</b>
<b>Tax rate with TOWN/VILLAGE NORWOOD</b>		
Town of Norwood (includes highway, fire, but not special district like water or sewer)	\$9.1	\$9.1
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$1.9	n/a
<b>Total</b>	<b>\$11.0</b>	<b>\$9.1</b>

## 2012 Tax Impact Shown for Property Assessed for \$75,000 and for \$150,000

The tables below shows the property tax impact of creating a coterminous town-village based on the median household price of \$75,000. Residents in the former Village of Norwood would see their taxes decrease from \$1,250 to \$830 for a savings of \$420. Residents in the small boundary area would see their taxes increase from \$240 to \$680 (an increase of \$440).

The tables below also provide the same information for a property valued at \$150,000. Residents in the former Village of Norwood would see their taxes decrease from \$2,500 to \$1,650 for a savings of \$850. Residents in the lake area would see their taxes increase from \$480 to \$1,370 (an increase of \$890).

### How much do you pay on a \$75,000 house?

Tax rate TODAY	Current Village of Norwood resident	Town of Potsdam Resident in small boundary area
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$173	\$241
Village of Norwood	\$1,081	n/a
<b>Total</b>	<b>\$1,254</b>	<b>\$241</b>
<b>Tax rate with TOWN/VILLAGE NORWOOD</b>		
Town of Norwood (includes highway, fire, but not special district like water or sewer)	\$684	\$684
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$143	n/a
<b>Total</b>	<b>\$827</b>	<b>\$684</b>

## How much do you pay on a \$150,000 house?

Tax rate TODAY	Current Village of Norwood resident	Town of Potsdam Resident in small boundary area
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$347	\$482
Village of Norwood	\$2,162	n/a
<b>Total</b>	<b>\$2,509</b>	<b>\$482</b>
<b>Tax rate with TOWN/VILLAGE NORWOOD</b>		
Town of Norwood (includes highway, fire, but not special district like water or sewer)	\$1,368	\$1,368
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$286	n/a
<b>Total</b>	<b>\$1,654</b>	<b>\$1,368</b>

## CONCLUSION

Whether it is dissolution or the creation of a coterminous town-village, the Village of Norwood tax rates will decrease as a result of shifting the cost of village government over a larger tax base. At the same time, these scenarios will all increase the tax rate for former Town of Potsdam residents as they pick-up some of the costs of the former village government or the new Town-Village of Norwood.

The calculations for the coterminous scenarios are estimates based on the current cost of providing services by the Town of Potsdam. It is possible that a new coterminous Town-Village of Norwood would be able to deliver the same costs at a lower price. However, it is unlikely that there would be no additional costs whatsoever. Moreover, Town of Potsdam residents outside of the villages currently pay \$3.2 per \$1000 of assessed value – a rate that is difficult to achieve when providing more services typically associated with a village government.

A summary of the tax rate impact for dissolution is provided in the table below.

Scenario	Current Village of Norwood Resident			Town of Potsdam, outside of Villages		
	Tax Rate	Taxes for a \$75,000 Property	Taxes for a \$150,000 Property	Tax Rate	Taxes for a \$75,000 Property	Taxes for a \$150,000 Property
Current	\$16.7	\$1,254	\$2,509	\$3.2	\$241	\$482
Dissolution without state aid	\$8.5	\$638	\$1,276	\$4.0	\$302	\$605
Dissolution with state aid	\$8.1	\$606	\$1,212	\$3.6	\$270	\$540

A summary of the tax rate impact for the creation of a coterminous Town-Village of Norwood is provided in the table below.

Scenario	Current Village of Norwood Resident			Town of Potsdam Resident in Large or Small Boundary		
	Tax Rate	Taxes for a \$75,000 Property	Taxes for a \$150,000 Property	Tax Rate	Taxes for a \$75,000 Property	Taxes for a \$150,000 Property
Current	\$16.7	\$1,254	\$2,509	\$3.2	\$241	\$482
Coterminous large boundary	\$14.3	\$1,073	\$2,146	\$11.2	\$842	\$1,684
Coterminous small boundary	\$11.0	\$827	\$1,654	\$9.1	\$684	\$1,368

## Next Steps

Once the committee submits this report to the Village of Norwood Board, it will be up to the elected officials to determine the appropriate next steps. The Board could choose to put dissolution up to a vote or it could explore shared services or a coterminous town-village further. If the Board does not choose to put village dissolution to a vote, residents can petition the village for a vote. To be successful, the petition must contain the signatures of 10 percent of the voters in the Village.

# DRAFT DISSOLUTION PLAN

By the Norwood Dissolution Study Committee

October 10, 2012

This document sets forth, in detail, the Dissolution Plan of the Village of Norwood as developed and approved by the Norwood Dissolution Study Committee. Following submission of the Plan to the Village Board, it will be up to the Board to decide whether to adopt the Dissolution Plan to present to Village voters in a referendum.

## Dissolution Plan

### OVERVIEW

1. The local government entity to be dissolved shall be the Village of Norwood, New York.
2. The territorial boundaries of the Village of Norwood are shown in the map in Appendix A of this report. The Village of Norwood is located within the towns of Potsdam and Norfolk which are in St. Lawrence County, New York.
3. The type of entity is a village as defined in New York Village Law.

### FISCAL ESTIMATE OF THE COST OF DISSOLUTION

4. The fiscal estimate of the cost of the dissolution is estimated to be approximately \$70,000. This includes the following cost components:
  - Consultant fees to assist the village in preparing the Plan and related documents and processes: \$50,000 (funded primarily with a New York State Local Government Efficiency grant)
  - Legal fees to assist the village researching legal issues: \$18,000
  - Miscellaneous advertisement fees, public referendum fees, etc.: \$2,000

### TRANSFER OR ELIMINATION OF VILLAGE EMPLOYEES

5. The plan for the transfer or elimination of the current employees of the village is shown below. All current village employee positions will be

eliminated. The town will assume responsibility for the work provided by current Village employees as follows:

- The Mayor and village board positions will be eliminated. *(Estimated savings of \$14,200).*
- The expense for all village administration, department of public works, code and police staff will be assumed by the town. This plan assumes that there will be no reduction in staff size or requirements following dissolution. It will be a town decision whom to hire or contract with to do this work (pursuant to NYS Civil Service Laws).

### **DISPOSITION OF PROPERTY OF THE VILLAGE & FUND BALANCES**

6. All real property improved or not improved will become the property of the Town of Potsdam. Water and sewer facilities will be assigned to the Norwood water and sewer districts. The town will take title to the village real property with the understanding that the town will honor all existing agreements or other arrangements between the village and other users of village property. Real property transferred to the town will be done without consideration\* and the town will, at its option, prepare any and all deeds for the village to execute prior to the date of dissolution. Village-owned property is listed in the table below.

<b>Building Description</b>	<b>Address</b>
Water Treatment Plant	25 Sports Avenue Norwood, NY 13668
Well House	25 Sports Avenue Norwood, NY 13668
DPW Garage	11 Bernard Avenue Norwood, NY 13668
Village Offices/Fire Department	11 So Main Street Norwood, NY 13668
Play Gym	11 So Main Street Norwood, NY 13668
Recycling Garage	6 1/2 Bernard Avenue Norwood, NY 13668
Sewage Treatment	1 J Liebfred Avenue Norwood, NY 13668
Community Center	38-42 Outer Maple Street Norwood, NY 13668
Police Station	12 Bernard Ave Norwood, NY 13668
Vehicle Storage Building	8 Bernard Avenue Norwood, NY 13668
Water Tower for Village Water System	High Street Norwood, NY 13668

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\* Without consideration means a complete transfer of village property to the town without cost to the town.

Village fund balances remaining upon dissolution will be transferred to the Town of Potsdam as follows:

- The village sewer fund, which totaled \$475,882 as of 5/31/11, will transfer to the Norwood sewer district fund and be managed by the town.
- The village water fund, which totaled \$61,430 as of 5/31/11, will transfer to the Norwood water district fund and be managed by the town.
- Upon an affirmative vote to dissolve but prior to the effective date of dissolution, the Village of Norwood will use any remaining general fund balance to benefit village tax-payers during the transition period (e.g. by paying off the village hall debt). Any remaining balance will be transferred to the Town of Potsdam upon dissolution of the village. The village general fund totaled \$404,341 on 5/31/11 (note that \$75,000 was allocated in the budget for the 2012-2013 fiscal year).

#### **VILLAGE LIABILITIES AND DEBTS**

7. The village liabilities and indebtedness are as follows:

- Liabilities – none known at this time. There are no current lawsuits or proceedings against the village.
- Indebtedness – As of 12/31/12, the village will have \$3.7 million in outstanding debt as follows:
  - Fire truck debt for \$179,910 will be paid off in 2024
  - City hall debt for \$285,900 will be paid off in 2036
  - Water debt for \$943,000 will be paid off in 2024
  - Sewer plant improvement debt for \$2,272,586 will be paid off in 2048.

Debts will remain with former village residents in the Town of Potsdam. Water and sewer debt will be allocated to the new water and sewer districts created by the Town of Potsdam. The Town of Norfolk will also create new water and sewer districts for those former village properties within its boundaries. The Town of Norfolk will contract with the Town of Potsdam for water and sewer. The rates charged by the Town of Potsdam to the Town of Norfolk will include usage as well as debt repayment.

## AGREEMENTS TO CARRY OUT DISSOLUTION

8. The village and the Town of Potsdam currently have no agreements in order to carry out the dissolution. This Plan was developed with the expectation that if dissolution of the village is ultimately approved by voters that the succeeding town government will provide for and comply, to the extent possible, with the Plan as set forth in this document (or as subsequently amended by the Village Board). At the same time, the members of the Committee recognize that future municipal government needs and responsibilities cannot be predicted.

## CONTINUATION OF VILLAGE FUNCTIONS OR SERVICES BY THE TOWN

9. *Continuation of services:* Services formerly provided by the village government will be provided by either the Town of Potsdam or the Town of Norfolk.

9A. *The Town of Potsdam will provide services to the area within its boundary in the following manner:*

- *Elected Representation:* Local government representation will be provided by the Town Board.
- *Clerical and Administrative Services:* Formerly provided by the village clerk and deputy clerk will be provided by staff assigned to the town clerk and town supervisor.
- *Code Enforcement Services:* Formerly provided by the village will be provided by the Town.
- *Roads, Water and Sewer Services:* Formerly provided by the village department of public work employees will be provided by the town highway department. The town will create new sewer and water districts for former village sewer and water users.
- *Courts:* Court services will continue to be provided by the Town of Potsdam.
- *Fire Services:* Fire protection will continue to be provided by the Norwood Callfiremen. The Norwood Volunteer Fire Department may need to re-incorporate as a non-profit organization under the town. The town will expand the boundaries of the fire protection district to include the former village area. Current village-owned fire assets (apparatus, equipment and miscellaneous assets) will transfer to the town. The town will lease the assets and building

turned over by the village to the new fire corporation for a nominal amount (e.g. \$1/year).

- *Recreation Services:* Formerly provided by the village will now be provided by the Town of Potsdam, which operates a joint recreation program with the Village of Potsdam.
- *Street lighting:* Street lighting within the former village will be continued by the town, but the costs for street lighting will be levied by the town through a special assessment district that will include all former village properties.
- *Sidewalk maintenance:* Sidewalk maintenance within the former village will be continued by the town, but the costs for street lighting will be levied by the town through a special assessment district that will include all former village properties.
- *Police:* Police services will be provided by the town within the boundaries of the former village through a special police district created by the town. The police district must be enabled through state legislation.
- *Rescue:* Rescue services will continue to be provided by the Potsdam Volunteer Rescue Squad (through a contract between the town and the Rescue Squad).

*9B. The Town of Norfolk will provide services to the area within its boundary in the following manner:*

- *Road maintenance:* The Norfolk highway department will be responsible for the road maintenance (apart from Route #56).
- *Snow removal:* Snow removal along Route #56 would continue to be provided by the state. The town would be responsible for the side-streets.
- *Police:* Residents would be covered by the Norfolk police department.
- *Courts:* Court services will continue to be provided by the Town of Norfolk.
- *Recreation:* This service would become the responsibility of the Town of Norfolk. Former village residents would contribute to the town's recreation program which includes three parks, a

community center and participation in summer programs through the Norwood-Norfolk School District.

- *Fire:* The former village area would be included in the Norfolk fire district and covered by the Norfolk Volunteer Fire Department and Rescue Squad.

## DISPOSITION OF VILLAGE ASSETS WHEN DISSOLUTION IS EFFECTIVE

10. The village will dispose of those assets remaining on the effective date of the dissolution by turning them over to the Town of Potsdam to become town assets. The village knows of no liabilities at this time that would become the responsibility of the town upon dissolution of the village.

Major equipment and vehicles owned by the village are provided in the table, below.

Village-Owned Equipment		
Manufacturer	Model	Model Year
Trackless	Vehicle MT-5T	1996
Trackless	Blade AB5	1996
Trackless	Sander MTS	1996
Trackless	Snow blower	1996
Gas Tech	Meter GT-2400	
Chistmas pole décor		
Ford	L900 dump with plow	1997
Whacker	Generator MDL GS55.6	
Ford New Holland	Backhoe MDL 555E	1998
Ferris	Lawn mower	1999
Air flow	Sander	1999
International	Dump Sander Plow Wing	2001
Hydraulic breaker	CAL-1200	
Curtis	Cab for Kubota 7800	2006
Fisher	Sander	2003
Sewer Flusher		
Speed prime pump		
Stihl	Chain saw	
Jogger	85 air compressor	
Stihl	Demo saw	
Kubota	Tractor mower	1980
Shindaiwa	PB270 power broom	

Manufacturer	Model	Model Year
Magikist	Jet water thawing	
Johnston	V3000HD sweeper	1993
Caterpillar	938G loader with bucket	2002
Topcon	AT6-3 auto level	
GMC	Dump truck	1991
York	Race king cutter	
Godwin	6" dri-prime CD150M	
Kubota	Tractor with bucket	2004
<b>Village-Owned Vehicles</b>		
Ford	Dump Truck	1997
Chevy	P/U	2003
Chevy	2500 HD	2006
Chev	Impala	2005
GMC	Bucket Truck	1995
Mack	Dump Truck	2003
Johnston	Sweeper	1993
International	Dump Truck	2001
GMC	Sonoma	1997
Ford	Crown Vic.	2011

*Source: Village of Norwood, Insurance Statement of Values, 2011*

## VILLAGE LAWS AND ORDINANCES

11. All local laws, ordinances, rules and regulations of the Village of Norwood in effect on the date of dissolution of the village, will remain in effect for a period of two years following dissolution. These may be enforced by either town board within the limits of the dissolved village. The town boards will have the power to amend or repeal such local laws, ordinances and rules or regulations in the manner as other local laws, ordinances and rules or regulations of the town.

Both the Town of Potsdam and the Town of Norfolk may wish to review the laws, ordinances and rules of the former Village of Norwood to determine which laws should be adopted within the town. This analysis is provided below at a high level for the Town of Potsdam.

### Key Definitions

**NA** - Village code is no longer applicable upon dissolution. These codes do not become part of Town of Potsdam law when dissolution takes effect.

**A** - Codes that should be rewritten as Town of Potsdam laws, following town review.

**B** - Codes for which the Town of Potsdam currently has a similar law in effect.

Chapter	Title	Action
1	General Provisions	N/A
3	Assessing Unit	N/A
5	Continuity of Government	A
10	Defense and Indemnification	B
13	Drug-Free Workplace	A
17	Code of Ethics	B
25	Investment Policy	A
35	Officers and Employees	N/A
38	Planning Board	N/A
40	Procurement Policy	A
50	Alcoholic Beverages	A
55	Animals	B
60	Bingo	B
63	Building Permits	B
66	Buildings, Unsafe	B
70	Burning, Outdoor	N/A
72	Construction Codes, Uniform	B
75	Curfew	A
85	Flood Damage Prevention	B
90	Games of Chance	B
93	Garage Sales	A
108	Lighting, Outdoor	A
116	Noise	A
120	Parades, Assemblies and Carnivals	B
125	Parental Responsibility	A
128	Peace and Good Order	A
132	Peddling and Soliciting	A
136	Property Maintenance	B
140	Records, Public Access to	N/A
143	Recycling	N/A
146	Rental Property	A
150	Sewers	B
160	Streets and Sidewalks	B

Chapter	Title	Action
165	Subdivision of Land	B
175	Taxation - Article I Utility Tax	N/A
175	Taxation - Article II Veterans Exemption	A
175	Taxation - Article III Preservation of Prior Veterans Tax Exemptions	A
175	Taxation - Article IV Senior Citizens Tax Exemption	B
180	Taxicabs	B
185	Vehicles, Abandoned or Inoperable	B
190	Vehicles and Traffic	B
195	Water	B
197	Wood burning Furnaces, Outdoor	A
200	Zoning	B

### **EFFECTIVE DISSOLUTION DATE**

12. The village will be dissolved effective December 31, 2014.

### **OFFICIAL PUBLIC HEARING**

13. The village will hold an official public hearing on the Proposed Dissolution Plan on *[insert date]*.

### **OTHER MATTERS PERTINENT TO DISSOLUTION**

14. Specific service impacts of the Plan, other than those identified above, are as follows:

- Fiscal Impact within the Town of Potsdam:* The table below identifies how tax bills would have been affected in fiscal year 2012 had village dissolution been in effect. It is important to note that upon dissolution, the combined single government in both the Town of Potsdam and the Town of Norfolk would become eligible for a Citizen Empowerment Tax Credit (CETC). This is an annual incentive from NYS for consolidating governments. The incentive, which must be authorized by the State Legislature in each annual budget, is based on a proscribed formula. The table shows the fiscal impact both with and without the CETC, and assumes 100% of the CETC is applied to reduce taxes for all Town taxpayers. The CETC, based on 2012 fiscal year budgets, equates to \$0.4 per \$1,000 for all taxpayers in the Town of Potsdam.

The table below excludes county and school taxes, since they are unaffected by dissolution. It also excludes water and sewer charges, since these charges are billed as user fees to village residents.

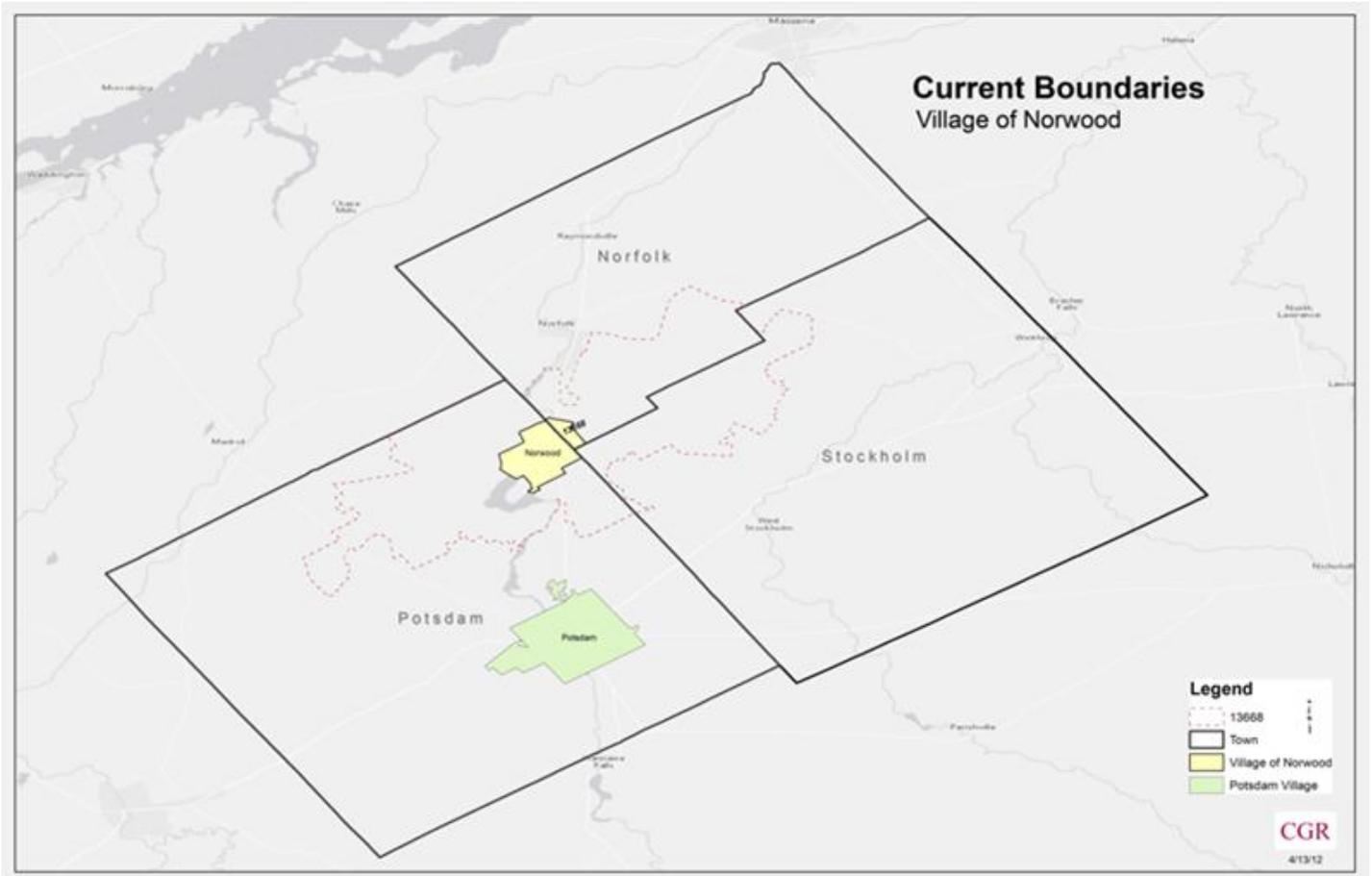
<b>Tax rate TODAY</b>	<b>Current Village of Norwood resident</b>	<b>Town of Potsdam resident, outside either village</b>
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$2.3	\$3.2
Village of Norwood	\$14.4	-
<b>Total</b>	<b>\$16.7</b>	<b>\$3.2</b>
<b>Tax rate with VILLAGE DISSOLVED--no state aid</b>		
Town of Potsdam (includes highway, fire, but not special district like water or sewer)	\$4.0	\$4.0
Special districts for municipal building debt, police, other services currently provided by village but NOT provided to town residents	\$4.5	n/a
<b>Total</b>	<b>\$8.5</b>	<b>\$4.0</b>
<b>Tax rate savings from Citizens Empowerment Tax Credit (CETC)</b>	<b>-\$0.4</b>	<b>-\$0.4</b>
<b>Net tax rate after CETC</b>	<b>\$8.1</b>	<b>\$3.6</b>

As shown in the table, Norwood residents would see approximately a 49% drop in their tax rate without the state consolidation incentive (CETC) and a 52% drop with it. Town of Potsdam outside villages residents would see a 26% increase in their tax rate without the incentive and an 12% increase with CETC. As previously noted, these projections are based on the Village 2011-12 and the Town 2012 budgets.

**Note:** Detailed fiscal information is available in the Final Report.

- *Creation of water and sewer districts:* Both the towns of Potsdam and Norfolk will create water and sewer district for former village properties within their boundaries. The Town of Potsdam will own and operate the water and sewer system. The Town of Norfolk will contract with the Town of Potsdam for the delivery of these services. The existing water contract between the Village of Norwood and the Norwood-Norfolk Central School District (NNCSD) will be revised. The NNCSD will contract with the Town of Norfolk rather than the Village of Norwood.

# APPENDIX A: VILLAGE OF NORWOOD BOUNDARIES



## APPENDIX B: VILLAGE-OWNED PROPERTY AND EQUIPMENT

Village-Owned Property	
Building Description	Address
Water Treatment Plant	25 Sports Avenue Norwood, NY 13668
Well House	25 Sports Avenue Norwood, NY 13668
DPW Garage	11 Bernard Avenue Norwood, NY 13668
Village Offices/Fire Department	11 So Main Street Norwood, NY 13668
Play Gym	11 So Main Street Norwood, NY 13668
Recycling Garage	6 1/2 Bernard Avenue Norwood, NY 13668
Sewage Treatment	1 J Liebfred Avenue Norwood, NY 13668
Community Center	38-42 Outer Maple Street Norwood, NY 13668
Police Station	12 Bernard Ave Norwood, NY 13668
Vehicle Storage Building	8 Bernard Avenue Norwood, NY 13668
Water Tower for Village Water System	High Street Norwood, NY 13668

*Source: Village of Norwood, Insurance Statement of Values, 2011*

Village-Owned Vehicles		
Year	Make	Model
1997	FORD	DUMP TRUCK
2003	CHEVY	P/U
2006	CHEVY	2500 HD
2005	CHEV	IMPALA
1995	GMC	BUCKET TRUCK
2003	MACK	DUMP TRUCK
1993	JOHNSTON	SWEEPER
2001	INTERNATIONAL	DUMP TRUCK
1997	GMC	SONOMA
2011	Ford	Crown Vic.

*Source: Village of Norwood, Insurance Schedule of Vehicles, 2011*

Village-Owned Equipment		
Manufacturer	Model	Model Year
Trackless	Vehicle MT-5T	1996
Trackless	Blade AB5	1996
Trackless	Sander MTS	1996
Trackless	Snow blower	1996
Gas Tech	Meter GT-2400	
Chistmas pole décor		
Ford	L900 dump with plow	1997
Whacker	Generator MDL GS55.6	
Ford New Holland	Backhoe MDL 555E	1998
Ferris	Lawn mower	1999
Air flow	Sander	1999
International	Dump Sander Plow Wing	2001
Hydraulic breaker	CAL-1200	
Curtis	Cab for Kubota 7800	2006
Fisher	Sander	2003
Sewer Flusher		
Speed prime pump		
Stihl	Chain saw	
Jogger	85 air compressor	
Stihl	Demo saw	
Kubota	Tractor mower	1980
Shindaiwa	PB270 power broom	
Magikist	Jet water thawing	
Johnston	V3000HD sweeper	1993
Caterpillar	938G loader with bucket	2002
Topcon	AT6-3 auto level	
GMC	Dump truck	1991
York	Race king cutter	
Godwin	6" dri-prime CD150M	
Kubota	Tractor with bucket	2004

*Source: Village of Norwood, Schedule of Equipment*

## APPENDIX C: VILLAGE CODE

The table below provides a preliminary review of what would need to happen to the Village of Norwood Code should the Village dissolve. Codes listed as NA (not applicable) will not be effective upon dissolution of the Village. All other codes listed, in accordance with GML Article 17-A §789, remain in effect for a period of two years following dissolution, as if the same had been duly adopted by the Town Board. They shall be enforced by the Town within the limits of the dissolved Village, except that the Town Board shall have the power at any time to amend or repeal such local laws, ordinances, rules or regulations in the manner as other local laws, ordinances, rules or regulations of the Town.

### Key Definitions

**NA** - Village code is no longer applicable upon dissolution. These codes do not become part of Town law when dissolution takes effect.

**A** - Codes that should be rewritten as Town laws, following Town review.

**B** - Codes for which the Town currently has a similar law in effect.

Chapter	Title	Action
1	General Provisions	N/A
3	Assessing Unit	N/A
5	Continuity of Government	A
10	Defense and Indemnification	B
13	Drug-Free Workplace	A
17	Code of Ethics	B
25	Investment Policy	A
35	Officers and Employees	N/A
38	Planning Board	N/A
40	Procurement Policy	A
50	Alcoholic Beverages	A
55	Animals	B
60	Bingo	B
63	Building Permits	B
66	Buildings, Unsafe	B
70	Burning, Outdoor	N/A
72	Construction Codes, Uniform	B
75	Curfew	A
85	Flood Damage Prevention	B
90	Games of Chance	B

Chapter	Title	Action
93	Garage Sales	A
108	Lighting, Outdoor	A
116	Noise	A
120	Parades, Assemblies and Carnivals	B
125	Parental Responsibility	A
128	Peace and Good Order	A
132	Peddling and Soliciting	A
136	Property Maintenance	B
140	Records, Public Access to	N/A
143	Recycling	N/A
146	Rental Property	A
150	Sewers	B
160	Streets and Sidewalks	B
165	Subdivision of Land	B
175	Taxation - Article I Utility Tax	N/A
175	Taxation - Article II Veterans Exemption	A
175	Taxation - Article III Preservation of Prior Veterans Tax Exemptions	A
175	Taxation - Article IV Senior Citizens Tax Exemption	B
180	Taxicabs	B
185	Vehicles, Abandoned or Inoperable	B
190	Vehicles and Traffic	B
195	Water	B
197	Wood burning Furnaces, Outdoor	A
200	Zoning	B